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THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

10 Cents
Largest circulation of any Canadian business or investment paper.

Vol. XXII. Member of Audit Bureau of Circulations PUBLICATION OFFICE: TORONTO, JANUARY 27, 1928 10c. a Copy; $5.00 a Year No. 4

The Nation's Business

League's Work for Commerce
Makes Drive on Business Fraud
American Tariffs Again Threaten
Canada Not Helpless

COMMERCIAL enterprises are exposed to so many perils in the ordinary course of competition that it ought to be the first duty of governments to free them from the crook and sharper. Often, however, it is difficult to provide protection because the writ of a government runs only to national boundaries, whereas, in these days of rapid travel, a crook can commit a crime, escape into a foreign country and laugh at justice.

The League of Nations, while it may not stop many wars can, through its economic section, frame international agreements to safeguard commerce. In recent weeks the League has brought about a conference on the suppression of counterfeiters and has drafted a convention which, in due course, will be presented to the governing bodies in all the leading nationals for ratification. This draft convention has reached Ottawa and is now being considered by the government. It provides for:

(1) Unification of legislation ensuring that criminals shall in no case be able to escape punishment.

(2) Immediate suppression of fraudulent manufacturing of counterfeit currency, whether or not it is made in one country for circulation in another.

(3) Provision of uniform terms of imprisonment.

(4) The creation of a central office of police where world wide campaigns of suppression can be formulated and information exchanged.

(5) Periodic conferences to discuss means by which statutory measures may be improved.

In other directions Geneva is serving international commerce. A report is in course of preparation upon the "unification of tariff nomenclature" in the leading industrial nations. If tariff items were largely the same in all countries, business firms, eager to expand export trade, would be materially benefitted for the reason that it would not be difficult to discover the rate of duty on a given commodity, whereas to-day, there are innumerable bewildering classifications in all tariffs, not excepting the Canadian tariff. Who, for example would ever guess that golf balls, which are not mentioned in our customs schedules, are dutiable under: "Rubber, cement, and all manufactures of rubber and gutta-percha?"

* * *

IT IS apparently an open season for farmers' vote in the United States and sundry senators and representatives of varying degrees of political importance are gunning for support from Middle West agriculturists. Higher duties on Canadian live stock and potatoes are the latest suggestions. The danger of these suggestions, even when they hail from irresponsible individuals, is that they are taken up by the press and by other politicians, and gain an importance and a reality as they go on—like the phantom gardener created in one of Anatole France's short stories.

There is no danger of Canada getting into a tariff war with the United States. The low-tariff forces in this country are too strong to permit of any substantial retaliation tariff-wise against the continuous menace of a constantly rising American tariff wall. But the Canadian Government would be excused if it talked frankly and bluntly to the administration at Washington. The situation presents an excellent opportunity for Mr. King, through his minister, Mr. Massey, to present to Americans the Canadian claim for less discriminatory treatment under the American tariff.

* * *

THE United States conducts itself with its usual splendid isolation and detachment in framing its tariff. It raises the tariff on items it does not need to import and provides free import for such items as newsprint, and hard wheat, which it wants at low cost and cannot supply in sufficient quantities at home. Canada might consider as a preliminary step charging sales or export tax on the exported commodities which the United States must have. Pulpwood and wood pulp would be a good place to start from. Wheat for milling in bond would be another place where export duties could be used to excellent advantage for bargaining purposes.

At the present time we have absolutely nothing with which to bargain with, in talking tariff with the United States.

Shawinigan Gets Orders

MONTREAL.—It is understood that the wholly-owned chemical subsidiary of the Shawinigan Water and Power Company at Shawinigan Falls, P.Q., has closed a large contract for the annual supply of acetic acid with the British, U.S., and Canadian Celanese companies.

Carlisle Not Director of Astoria-Rouyn

Recent advertising in the Financial Post of Astoria-Rouyn Mines, with the head office in Ottawa, included among the directors the name of Clifton H. Carlisle, president and general manager, Goodyear Tire & Rubber Company. Mr. Carlisle is not a director of Astoria-Rouyn Mines, Limited, and does not own any shares in this company. Mr. Carlisle refused to continue on the board of this company in September, 1927 and resigned, and his resignation was accepted in November.

LOAN STOCKS MAY ATTRACT BRISK BUYING

Trust and Mortgage Concerns Are Reporting Gain for 1927

DIVIDENDS HIGHER

Huron & Erie Goes on 8 Per Cent. Rate — Increase Likely for Toronto Mortgage Co.

Almost without exception, the trust and loan companies, which are currently publishing their reports for the year 1927, report growth in profits and substantial improvements in balance sheets. This condition is especially true as regards companies which either confine their activities to Eastern Canada or which are large enough to spread their liabilities through the nine provinces.

While not many of the Western companies have as yet published their reports, it is believed that they, too, will show an improvement over the previous year, with some reduction noticeable in the amount of real estate on hand, through foreclosure in the dark days of agricultural deflation.

Profits Increase

Increase in profits should make the stocks of the various mortgage and trust companies more attractive. Undoubtedly, the majority of the stocks would command better prices if they were more active, for the bidder who fails to get a loan or trust stock, he wishes to get, and one on which he has made a firm bid above the last market is likely to become tired, and to place his money in some other kind of security.

Yet, it is evident that the investor who is patient enough to wait for an offering of trust or loan stock, or who is diligent enough in searching for a source of supply of such stock, will have, as a rule, a Grade A investment, which not only gives a fair current yield, but which has a chance of gradual and ultimately substantial appreciation.

Among the attractive and listed trust and loan stocks, might be mentioned Canada Permanent, Huron & Erie, National Trust, Toronto General Trust, Ontario Loan & Debenture and Toronto Mortgage. These all are in an improving position; increases in dividends are not remote in most instances and the investment in view of the growing cheapness of money, should command a higher price even if there were no increases in distributions to shareholders.

Huron & Erie already has announced an increase in the dividend rate, to 8 per cent. Toronto Mortgage shareholders will be notified at the annual meeting February 1st, that the regular dividend rate would be raised to 12 per cent.; this company has been paying 10 plus 1 per cent. National Trust and Canada Permanent Mortgage both have reported substantial increases in earnings, with relatively important betterments reflected in the balance sheets.

There are a number of other strong companies in this field of finance which should not be overlooked by the investor seeking conservative securities, which likewise are attractive for the oportunities for appreciation. There are several smaller companies which are relatively just as strong as some of the largest companies, among them might be mentioned three which recently have published their reports: British Mortgage & Trust Corp., Stratford; Midland Loan & Savings Co., Port Hope, Ont., and Security Loan & Savings Co., St. Catharines.

Canadian Locomotive Does Better Business

Canadian Locomotive Co., Kingston, is reported on the best of authority, to have enjoyed considerably better business in 1927 than 1926. In 1926, the common had a deficit of $187,000 after depreciation and bond interest, compared with a net profit of $44,878 before preferred dividend in 1925. The company's preferred dividends have been paid out of surplus.

Output of locomotives was greater in 1927, compared with the previous year, and the company reports a gradually expanding business in other lines, including mining machinery. It is said that there is an accumulated demand for locomotives in Canada, but it is not known when the railways will place orders for this equipment. On the whole, however, a fairly prosperous year is anticipated.

Imperial Oil Report Tells Its Shareholders Only What They Knew

Over-Production of Crude Interfered with Earnings

NO NEW PRODUCTION

"Annual report" of the Imperial Oil this year speaks optimistically. In it, C. O. Stillman president, reviews operations of the past year but gives no hint as to earnings of the company. The report tells nothing that has not already become available to shareholders. The company's policy of keeping from the shareholders essential information as to profits and assets is maintained with characteristic Standard Oil stubbornness.

After receiving the condition of over-production in the oil fields of the continent, Mr. Stillman indicates that this has indirectly affected Imperial Oil, through its connection with International Petroleum, a large producer of crude oil in South America. At the same time, the refining end of the business has benefitted little from the low prices.

Large Gain in Output

Nothwithstanding increased competition, the company had one of largest gains in output in its history, says the president.

No new wells have been brought in in Alberta this year. Royalite No. 4, which supplies over half of entire Canadian production of oil, increased its output during 1927. A number of wells are being drilled in Turner Valley and other Alberta fields and exploratory researches are being undertaken in Nova Scotia. Company holds 128,500 acres of oil leases in Canada.

Expansion in activities of International Petroleum are recorded. Imperial Oil imported six million barrels from this subsidiary, 2,000,000 from Peru and 4,000,000 from Columbia.

In Colombia, where activities are carried on through Tropical Oil Co., production totaled 15,002,175 barrels as against 6,443,548 barrels in 1926. Even at that production was held down. Company now has 227 producing wells in Colombia.

In Peru, there were 1,418 producing wells in operation at the end of the year. Production was 7,768,139 barrels as against 8,632,125 barrels. Commitments for 1928 call for about the same rate of production.

By the end of 1928 the company's marine programme will be complete. Four new tankers will be added bringing the fleet to twenty ships of a total of 160,000 tons. Among the new boats will be the C. O. Stillman, of 22,000 tons or 150,000 barrels capacity.

Directors declared the regular 25 cent dividend and a special dividend of 12* cents. This is the same as

Toronto Ticker Puts New York in Shade

Rip van Winkle, even if he had only been asleep five years would not recognize his stock brokers' office now. A few years ago the traders clustered about the New York ticker while the joint Montreal-Toronto stock ticker ate its head off some days and aroused only moderate enthusiasm on others. Such interest as was shown was in the Montreal stocks.

This week eight men jostled for position at the tape of the ticker in a Toronto brokerage office. They were watching Toronto stocks. In the other corner not a soul was near the New York ticker except the chalk-boy and no one checked him up when he threw a few yards of prices away.

COMMON SHARES OF PELISSIER'S RISE ON LISTING

Stock, Sold Recently at 13, Climbs Up to 15

A sensational debut was made by a new brewery stock listed on the Toronto Stock Exchange this week. This was Pelissier's Limited, a Winnipeg concern recently purchased by a group of Toronto and Winnipeg financiers. The common stock, sold early in the year at 13, opened at that price on the Toronto exchange when listed Thursday morning and sold up to 15 during the day.

Pelissier's is expected to benefit to a very material degree from the new beer-by-the-glass legislation in Manitoba which now seems assured of passing the provincial house and receiving royal assent.

Without counting the benefits to be derived from this new measure, earnings have been running at $2.46 a share, it is stated by those in control of the company.

Better Business Bureau in Montreal

From Our Own Correspondent

MONTREAL. — The Investment Bankers Association of Canada, the Montreal Stock Exchange and the Montreal Curb Market are combining to form in Montreal a Better Business Bureau. The chief objective of the Bureau will be to protect investors from high-powered and fraudulent security salesmen unloading worthless securities.

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T. Eaton Company Plans Intensive Mail Campaign

Intention is to Bolster Up That Branch of Business Which Has Not Increased in Turnover as Have Other Departments

An intensive campaign will shortly be undertaken by T. Eaton Co. to increase its mail order business.

Mail order sales of the T. Eaton Co. are said to be well up to the average. There has not been the increase in turnover that other departments have recorded, and it is in order to bolster up that branch of the business the proposed campaign is to be undertaken.

Full details of this new development have not yet been formulated, but it is understood that in addition to the regular system followed in years past, there will be a direct tie-up with the Teco and Rideau stores recently established by the company in different parts of the country.

It is proposed to thoroughly cover the territory in which these stores are situated, through the regular spring and fall and winter catalogues, which will be further improved and greatly enlarged. Emphasis will be laid upon the advantages to be secured through inspection of goods at the Teco and Rideau stores, from which shipments will be made.

Those who have followed the mail order business in the past few years, have been aware of the falling off in this type of merchandising. The advent of good roads, motor buses, automobiles, etc., have enabled the small town citizen and farmer to move about rapidly at small cost, so that instead of making purchases by mail, he is doing his buying direct.

Both the Western and Eastern provinces will be covered in this campaign, the former through Winnipeg, and the latter through the Toronto office.

Ottawa Not to Dispose of Carillon Power Site

From Our Own Correspondent

MONTREAL.—The general consensus of informed opinion is that the government will take no action regarding the disposition of the Carillon Power site on the Ottawa River until some definite decision is arrived at regarding the power developments on the St. Lawrence, both on the international section of the river and also between Cornwall and Montreal where the big Beauharnois Light, Heat and Power project is to be located.

The government, obviously, would hardly care to grant the rights both to the St. Lawrence development and the Carillon project because the carrying out of such undertakings would only result in creating an over-production of power.

There is other circumstantial evidence also that the development of the Carillon site will be held in abeyance for a long time. As is generally known, the Shawinigan Water and Power Company was endeavoring to obtain the rights to Carillon.

Now that company has turned its attention to the St. Maurice River and is asking the Quebec government to grant rights for further development on the river above La Tuque where it is understood a further 100,000 horsepower is available. The fact that Shawinigan has turned its attention to the St. Maurice indicates that that company expects little action from the Carillon and that immediate future development will be taken on the St. Maurice.

SEE RESIDENTS NOW GUIDING HUDSON'S BAY

Vigorous Efforts Are Made to Build Larger Business

NEW BLOOD INFUSED

Still Considerable Body of Investors Which Believes That Company's Future Will be Bright

Vigorous efforts to build a larger business are believed to be the immediate prospect for Hudson's Bay Co. The appointment of James A. Richardson, of Winnipeg, to the committee of the company, and the association of Sir George MacLaren Brown, the C.P.R. European manager, with the Hudson's Bay Overseas Settlement Scheme, are believed to be moves which will help the company to place desirable settlers on the 3,000,000 acres of land it yet has for sale, and to increase the volume of trade in the various department stores in Western Canada.

Although the company has been subjected to criticism in recent years, there is still a considerable body of investors which believes that the company's future will be bright. Increases in the population of the West will add to the volume of trade of the company in two ways, first, by the sale of land and, second, by giving the company greater merchandising opportunities.

Great Potentialities

Persons who see great potentialities in the company, are prone to point out that, in these days of chain-store development, Hudson's Bay should find its experience over more than 2½ centuries of benefit. This company, it will be readily admitted, was the first chain-store organization in what is now Canada, and perhaps in the world. If it shows an ability to adapt its fur-trading experiences to modern business in urban centres, the future of this branch of its business, as well as the future of its land business, must be bright.

Selling land, of course, is disposing of capital. The company has recognized this in the past when it paid to shareholders certain sums by way of return of investment. But while lands are still cheap in the West, it is evident that the more that is sold, the more valuable, relatively, is the remainder. A land-sale policy which leaves the company with a holding in every district that is progressing is fairly certain to be profitable while Canada is progressing.

Earnings of the company have not been wholly satisfactory in the last several years, but it has been found feasible to continue dividends on the common stock, two shillings having been paid this month on 2,000,000 £1 shares. This is the same dividend that was paid a year ago, although the capital had been increased during the year by 500,000 shares. The London magazine, Canada, recently expressed the opinion that the shares were cheap. The latest available quotation is 91¼ shillings.

The severest criticism that has been levelled against the company by Canadians is that there seems to have been an excessive amount of capital spent on the department stores in the various Western cities before there was evidence that the cities in which these stores are located properly could support them. It is pointed out that this policy of spending heavily for buildings is contrary to the traditional policy of the company in maintaining trading posts which were more utilitarian than architecturally beautiful. It is further pointed out that some of the most successful chain-store organizations on this continent are somewhat shaky about tying up capital in elaborate buildings.

It may be said in defense, that a department store, even when one of a chain, cannot be compared fairly with a chain grocery store and that, if Hudson's Bay Co. has faith in the future of Canada, the investment in properties — if the locations have been well-selected—may not prove expensive over a term of many years.

The Hudson's Bay Co., it might be added, is not a company which believes in ephemeral efforts, but is one which is looking farther into the future than is the habit of the less patient builders of business on this continent.

George W. Allan, K.C., Winnipeg, who is chairman of the Canadian Committee, has for some time been a member of the London Committee.

Beauharnois Project Upheld by Quebec

In a speech this week, Hon. L. A. Taschereau, premier of Quebec, bears out the statement of The Financial Post. that Quebec Government would be friendly toward the Beauharnois project. Mr. Taschereau said in part: "I do not wish to see Montreal lose its place, and if we can aid Montreal to get cheaper power, why that aid is already acquired. I think it is essential, and if you wish to compare the rates paid at Quebec and at Three Rivers for power, you will see that Montreal, in some respects, has not the best of shares.

"So far as the Government is concerned, we are disposed to agreement with such companies as would wish to develop power around Montreal, to insure cheap power for Montreal. It is essential. Today power means the future of a city. Day by day coal is getting dearer, transport is becoming more difficult. But the river runs all the time and the falls never stop."

PROFITS FOR 1927 OF FANNY FARMER EXCEED 1926 YEAR

Number of Shops Have Increased From 79 to 115

UNLISTED IN TORONTO

Fanny Farmer Candy Shops, Inc., half-sister to Laura Secord Candy Shops, are reported to be earning in the current year, and to have earned in the last year, at a considerably higher rate than in the fiscal year 1926. In the last eighteen months, the number of shops has been increased from 79 to 115 in various cities in the Eastern States.

In the fiscal year 1926, the company earned $3.05 per share on the no-par common stock after taxes, depreciation and preferred dividend. This compares favorably with $1.70 per share in 1925 and $1.10 per share in 1924.

According to authentic information, the growth in business has been greater for Fanny Farmer than for Laura Secord. Fanny Farmer shops have been increased in number 44 per cent. Assuming that this growth in volume was accompanied by an approximate growth in profits, the earnings for 1927 are likely to be reported as considerably in excess of the profits for 1926.

Although there is great Canadian interest in Fanny Farmer, the stock is not listed in Toronto or Montreal. Recent trades on the New York curb have been around 38. Frank P. O'Connor, originator of the Laura Secord chain, is president of Fanny Farmer. John D. Hayes and Charles H. Ellston, are other directors who are identified with Laura Secord Candy Shops.

Issued capital of Fanny Farmer is 30,000 shares of no-par preferred, $2.40 cumulative, and 100,000 shares of common. No dividends have as yet been paid on the common stock.

Canada to Ask U.S. to Build Entire International Section of St. Lawrence Waterways

When Completed, United States to Hand Over One-Half of Power and Half Share of Ownership Therein

OTTAWA IS AGREED ON COURSE OF ACTION

Having Framed Policy, Government, Contrary to Expectations, Will Not Announce Details—Ministers Are Nervous of Political Consequences and of Giving Conservatives Opportunity to Hit Back

From Our Own Correspondent

OTTAWA.—The St. Lawrence Waterways project continues to be the chief concern of the government, and reliable information available here is to the effect that the cabinet, under the direction of Premier King, has decided both upon a policy and a course of action for the next few months.

The policy, of course, will be permanent unless the government is deflected from pursuing it by unforeseen and unfortunate political developments. The line of action will be dictated by the exigencies of the moment, and he would be a foolish prophet who would forecast what the government will do or say in the heat of a parliamentary struggle.

International Section

In regard to policy, The Financial Post adequately covered the developments last week. The only further point which has been decided upon, is in connection with the International section of the project. It was intimated last week that the government planned to have the entire waterways built without cost to the treasury. The two all-Canadian sections would be constructed by power interests who received the power. The International section presents difficulties, but the intention of the government is to propose that the United States construct the entire International section and, when completed, hand over one-half the power and a half share of ownership therein.

At first blush, this might seem impracticable, but upon more mature reflection it will be seen that the United States might well agree to such a proposal in order to ensure early action on the Waterways. After all, the United States will benefit greatly from the navigation channels and, indeed, will benefit quite as much as Canada from the all-Canadian sections, although Americans will not be called upon, or permitted, to share in the cost of building them.

Government is Reticent

Having framed the policy, the government, contrary to expectations, will not announce it. The ministers, it is understood, are rather nervous of the political consequences of the Waterways project and of giving to the Conservatives an opportunity to raise the cry of "No truck or trade with the Yankees" in the ultra-loyalist strongholds of Ontario. Moreover, it is the popular belief that public opinion, while generally favorable to the project, is still nebulous and ill-informed on the details of the scheme, and if once a false alarm of surrender to the United States were raised, it might be extremely difficult for the government to quell the political blaze which might follow. As a matter of fact, the ministers do not seem to place much reliance upon the proverbial efficacy of truth in pursuit of falsehood.

Therefore, it is understood, that a course of reticence has been agreed upon. The government will be careful not to bring before parliament any measure which would involve a debate on the Waterways: no flanks are to be exposed. It is hoped that private members, such as C. H. Cahan, will present resolutions for consideration and that in the rough and tumble debate which will follow, in which the cabinet ministers will guard their tongues, that everyone of consequence will definitely commit himself to some scheme of development. Particularly, it is hoped, that Hon. R. B. Bennett will tie the Conservative party up to a definite policy. To this end, it is learned, the cabinet ministers have all been schooled in the most artful ways of waving red flags and badgering with provocative questions.

Another Split Possible in Goodyear Common

Another split in the common stock of the Goodyear Tire Co., this time on the basis of three for one, is a possibility in the near future. It is said that earnings of the company in the past quarter have been exceptionally good, and if maintained during the balance of the year will amount to about $18 a share.

Only a few months ago the stock was split, making outstanding a total of 133,000 shares, on which the company earned in the year ended September 30th last, $11.50 a share. This compares with $8.50 in the previous year on the same number of shares. As there were only 53,320 outstanding then, earnings actually amounted to $21.29 a share.

In the last five years, net earnings of Goodyear Tire applicable to dividends have doubled from $1,032,334 in 1923, to $2,171,391 in 1927. In this time, there has been a very moderate increase in the book value of fixed assets, despite the acquisition of new factories and equipment, while the depreciation reserve has grown from $1,559,929 to $2,916,569. Corporate surplus which was $1,520,199 five years ago, is now $4,491,805.

Substantiation of the alleged good business being experienced by the company is to be seen in the increase in number of automobiles in use in Canada, as well as in the manner in which exports of rubber manufactures have grown. During the calendar year 1927, the value of shipments abroad increased nearly $2,000,000 over those for the previous year. Goodyear Tire undoubtedly participated to a large extent in this increase in business.

It is further pointed out by those in close touch with this company that it is not advisable from a sales standpoint to show large earnings. Accordingly, a split in stock would be justified, not only because earnings would warrant such a move, but also on account of a more favorable public attitude toward the company.

End of Salesbook War Aids F. N. Burt Co. Ltd.

Ending of the three-years war in the salesbook business in Canada last May, will be reflected favorably in the annual report of the F. N. Burt Co., Ltd., which will be available in about two weeks. The strife was started by two other concerns, and while F. N. Burt Co. was affected less than any of the others concerned, the fact that this branch of the business has been re-established on a reasonably profitable basis is gratifying.

F. N. Burt Co.'s principal business is the manufacture of paper boxes and similar goods. The major activities are in the United States, a large new factory having been occupied recently in Buffalo. The company has on hand a fairly modern vacant property, with railway connections, which is for sale, but it is expected that this will be disposed of to advantage before long. The Canadian business of the company is both the manufacture of paper boxes and salesbooks and similar goods. The United States salesbook business is conducted by American Salesbook Co., another concern in the same group. There was no salesbook war in the United States, so that the war affected only a portion of the Canadian business of F. N. Burt Co.

Wood Named Also in Power Project With Frank Jones

Post's Statement Confirmed That Jones is Factor in Enterprise

SHAWINIGAN PLANS

Both Provincial and Federal Governments Appear to be Sympathetic Toward Undertakings

From Our Own Correspondent

MONTREAL.—Big things are stirring in power circles in Quebec. First, there is the Beauharnois Light, Heat and Power Company's project; second it is understood that the Shawinigan interests are applying for extensive rights on the St. Maurice River above the Laurentide Power Company's development, where 100,000 h.p. or more is available. Shawinigan is also reconstructing one of its older plants at Shawinigan Falls. Apparently further large scale deevlopments by the company may be anticipated.

Two weeks ago, when The Financial Post first announced the large scale development plans of the Beauharnois Light, Heat and Power Company, there were many sceptics who felt that the interests behind the project would not be successful in obtaining the further rights necessary from the Federal and provincial authorities. It was said that other interests had a better chance of obtaining the rights.

Last week, though, The Financial Post's exclusive announcement that Frank P. Jones was associated in the undertaking created a furore in Quebec generally and particularly in Montreal.

And now The Financial Post feels safe in intimating that E. R. Wood is associated with the group behind the Beauharnois undertaking for at the present time R. O. Sweezey, of the investment firm of Newman, Sweezey & Company is president of the Beauharnois Company. Associated with the Newman, Sweezey organization in the undertaking is the Dominion Securities Corporation which in turn is headed by E. R. Wood. Thus it is safe to assume that Mr. Wood is in sympathy with, and is working with those behind the project on the St. Lawrence.

Wide Business Interests

E. R. Wood was largely responsible for the success of Brazilian Traction. He has wide business interests and is a vice-president of the Bank of Commerce. The fact that he is connected with this new development in the hydro-electric power field of Quebec indicates more clearly the undoubted financial strength of those behind the Beauharnois plan and their ability to bring the undertaking to a successful conclusion, provided the governments involved grant the few remaining rights necessary to the inception of the work.

The Beauharnois Light, Heat and Power Company is sponsored by strong financial group of French and English Canadians. It owns practically all the rights necessary for development of 500,000 h.p. at Beauharnois on Lake St. Louis, just twenty-five miles up the river from Montreal. Before work on the project can begin, though, the company must obtain one or two secondary rights from the provincial government and must also obtain the as-

(Continued on page 2)

Canadian Newsprint May Have Big Order

From Our Own Correspondent

MONTREAL.—It is rumored that the Canadian Newsprint Company has closed a contract with the Hearst newspapers to supply 350,000 tons of newsprint to that organization during the current year. It is satisfactory to note that of this tonnage formerly 100,000 tons came from Scandinavia. Thus the market for Canadian newsprint seems to have been increased.

The Canadian Newsprint Company handles the sales of Abitibi and its associated companies, Price Brothers and the companies of the new St. Maurice-Laurentide merger. If the contract has been definitely closed, it means much to the companies selling through the Canadian Newsprint Company for with the present hesitancy in the demand for newsprint, an additional demand of over 100 tons daily should have a decided effect in increasing the scale of operations at the various mills.

Belding-Corticelli Shows Betterment

Annual Report for Fiscal Year Ending November 30 Shows Improvement of Earnings as Compared With Year Ago

From Our Own Correspondent

MONTREAL.—The annual report of Belding-Corticelli, Limited, for the fiscal year ending November 30 last shows a betterment of earnings as compared with a year ago, the maintenance of the company's already strong working capital position and substantial and satisfactory increases in the surplus and depreciation accounts.

The following figures compare the income account and working capital figures over the past three years.

	1927	1926	1925
Profits	$275,341	$248,930	$345,853
Deduct:			
Sink. fund	14,790	14,790	14,790
Depreciation	74,047	67,004	66,707
Debenture int.	36,980	36,980	36,980
Insur. res.	13,121	11,469	11,784
Total	138,939	130,244	130,263
Net profits	136,402	118,686	215,590
Pref. divs.	60,571	60,571	60,571
Balance	75,831	58,115	155,018
Com. divs.	44,970	44,970	37,475
Balance	30,861	13,145	117,543
*Trans. res.	......	......	78,643
Balance	30,861	13,145	196,186
Prev. bal.	371,210	358,065	361,898
Total	402,071	371,210	558,084
†Write off	......	......	200,022
P. & L. bal.	402,071	371,210	358,062
P. C. on com.	10.11	7.75	20.6

*—Replacement.
†—Written off goodwill account.

Working Capital Position

	1927	1926	1925
Curr. assets	$1,326,768	$1,320,793	$1,347,319
Curr. liabs.	314,169	241,096	256,718
Work. cap.	1,012,599	1,079,697	1,090,601

Perhaps the most significant thing in the foregoing figures is the fact that the company always deducts from its income, the amount applicable to the sinking fund requirements on its bond issue. As the retirement of outstanding bonds simply adds to the equity of the preferred shareholders, other companies make a practice of not deducting the sinking fund requirements from the annual income account.

The practice of Belding-Corticelli in making these deductions annually places the shareholders in a stronger position than that revealed by the income account or by the balance sheet. In other words, from its liabilities the company shows a reduced mortgage indebtedness without increasing surplus account by a like figure.

The balance sheet reflects the increased surplus noted in the foregoing figures and also the increase in depreciation reserve which now stands at $924,661, or more than fifty per cent. of the figure at which the company carries its property on its books. The goodwill item of $500,000, though, is still retained among the assets. The only other change of note in the balance sheet is the increase in the property account of $1,657,540 last year to $1,822,894 this year.

In his remarks to shareholders, the president, A. O. Dawson, states that in view of the fact that mills all over the world, doing a silk business such as this company, had a very trying 1927 due to over-production, falling values and keen competition, the directors of Belding believe the record of this company will, under the circumstances be found satisfactory. He continues to state that as new business appears to be in fair volume, the company's directors have reason to hope that the year 1928 will be a favorable one for the company.

WOOD NAMED ALSO IN POWER PROJECT WITH FRANK JONES

(Continued from page 1)

sent of the Federal authorities; for the power development lies on a navigable river.

It seems to be generally conceded that the Quebec Government is sympathetic towards the group behind the undertaking and it is felt that Ottawa views the project with no unsympathetic eye, one of the reasons being that it is a large component of the St. Lawrence deep waterways canal which could be completed without burden on the government or without cost to the taxpayer. Moreover, the Beauharnois development, if carried out by private interests, would be completed long before the power development on the joint international section of the river and thus, Canada would have available abundant, low cost power before power would be available from the international sections of the St. Lawrence River for distribution in the north-eastern states. Thus, the Dominion, would be in an advantageous position to attract industry to her borders before cheap power from the St. Lawrence attracted industries to the northern States.

Syndicate Plans

The plans of the syndicate behind the Beauharnois Light, Heat and Power call for an initial installed development of 300,000 h.p. Practically all of this has already been disposed of to industries which will locate in Canada as soon as the governments involved give the word to the Beauharnois Light, Heat and Power Company to proceed with the undertaking. The ultimate capacity of the plant to be erected, it is understood, will be 500,000 h.p. The effect of a 500,000 h.p. development on the industrial life of the Dominion would be stupendous, particularly so as the development can be completed on a low cost basis. The Beauharnois project will utilize the full head of the water from a little below Cornwall down to Lake St. Louis, just above Montreal.

It is estimated that the development and application among industries of the 500,000 h.p. to be developed at Beauharnois will create employment for at least 160,000 persons and provide annually a sum well in excess of $250,000,000 in wages. These figures are not a guess. They are a conservative estimate worked out from average figures obtained from some hundreds of U.S. power companies. In the States it was found that the development and application by industry of 1,000 h.p. produced wages of $560,000 annually and employed 450 persons. From these last figures, it will be seen that the forecast of the resulting industrial benefits to be obtained by the development of the Beauharnois site have been estimated only conservatively.

Composite of Syndicate

No announcement has been made regarding who composes the syndicate behind the Beauharnois Light Heat and Power Company. R. O. Sweezey of the investment house of Newman, Sweezey & Company is president of the organization of which Frank P. Jones will ultimately become the administrative head. Associated, though, with the Newman, Sweezey interests in the project is the Dominion Securities Corporation.

Mr. Sweezey this week confirmed The Financial Post's statement that Frank P. Jones was a factor in the Beauharnois enterprise.

Of course, there is always a possibility that the governments involved may not grant the necessary rights to the Beauharnois Company, but with the Carillon development in abeyance until a decision is arrived at regarding the St. Lawrence Deep Waterways, and with the Shawinigan interests asking for further rights on the St. Maurice, the opinion seems to be that both groups of power interests, namely Shawinigan and Beauharnois will ultimately receive the rights for which they are asking.

Following the development of the Beauharnois site, it can be anticipated that there will be an industrial revival in south-western Quebec similar to that experienced on the Saguenay with the development of the Duke, Price Power. Moreover, the new development will be able to produce power at a price which will make it extremely attractive to industries in which power is a large factor in costs.

New Industries

The development at Beauharnois affects in no way the investment possibilities of the companies at present serving Quebec with power. The Beauharnois interests will bring in new industries to utilize the power; arrangements along these lines have already been concluded to the extent of some 300,000 h.p.

The new company will not enter into competition with existing systems and no unsound competition will result.

There is a possibility also that the Ontario Hydro-Electric Commission will be willing to purchase a block of power from the Beauharnois plant When the international sections of the river have been developed under the St. Lawrence waterways plan, the Ontario commission could obtain power from the international section and return the power purchased from Beauharnois for use in Quebec.

Newfoundland Power Taken Over by Inter. Paper

From Our Own Correspondent

MONTREAL. — The International Paper has formally taken over the Newfoundland Power and Paper Company's plant. The properties are now owned by a subsidiary of the International Paper, known as the International Power and Paper Company of Newfoundland. The properties comprise a 400 ton per day newsprint mill at Cornerbrook, a hydro-electric power plant, generating 98,000 h.p. and 2,802 square miles of timberlands.

The capitalization of the new company is as follows:

First mortgage bonds	$4,866,000
Bonds guaranteed by Great Britain	9,733,000
Bonds guaranteed by Newfoundl'd	9,733,000
Preferred stock	10,132,000
Common stock (n.p.v.)	500,0000 shs.

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Common Issue for Bathurst Company

From Our Own Correspondent

MONTREAL.—It is understood that the new financing of the Bathurst Company will be in the form of a common stock issue, and that there will be no preferred or bonds outstanding ranking senior to the issue. The company was recently purchased by Nesbitt, Thomson & Company at a figure of over $10,500,000. The presently outstanding bond issue will probably be called when the new financial set-up is arranged. At present, Bathurst has a 10,000 horsepower hydro-electric development and it is proposed to instal a further 5,000 or 10,000 horsepower this year. An additional 75 ton newsprint machine has already been ordered by the company.

LAURENTIDE RISE STARTS THEORIES OVER SHAWINIGAN

Another Solution is That Company May Increase Horsepower Generator

From Our Own Correspondent

MONTREAL. — The rise in the shares of the Laurentide Power Company to well over the 160 mark is being interpreted as an indication that the new Laurentide-St. Maurice Valley merger company will sell this power subsidiary to Shawinigan.

There is nothing to indicate, however, that the Canada Power and Papare Company will dispose of its subsidiary. Shawinigan, it is thought, would have little to gain by the acquisition of the plant, for the larger power company already holds a 75 year perpetually, renewable, power contract at what is almost a cost of production figure. Shawinigan would have to make a tremendous capital investment and in return would only receive a fractional decrease in the cost of its power.

There are other solutions to the reasons behind the move in Laurentide Power stock which look more probable than the sale of the property to Shawinigan.

Laurentide Power has provision in its plant for the installation of a further 20,000 horsepower generator. At present, eight 20,000 horsepower units are installed. The ninth unit has not been installed as the flow of the river has not been sufficiently regulated to allow the economic installation of the last unit. But due to storage dams, the flow of the river has become indeed steadier and perhaps the time is at hand when Laurentide Power can instal the additional unit in its plant.

The further unit could be installed at low cost which would thus result in a more proportional increase in the earnings which, up to the present, have just satisfactorily met present dividend requirements. Any further increase in the output of power from the plant would immediately result in a substantial increase in the amount applicable to the common shares.

It is understood also that the company owns another important power site further up the St. Maurice river. It is known that the Shawinigan Water and Power Company is now applying to the Quebec legislature for the right to develop further power on the river and there exists the off-chance that further developments might be carried out in conjunction with Laurentide Power.

CANADIAN BRONZE EARNINGS TOTAL $5.45 PER SHARE

Assets of Company Near Two Million Dollar Mark

Earnings equivalent to $5.45 a share on the 40,000 shares of common stock are shown by the report of Canadian Bronze Company, Limited, for the 9-month period ended December 31, 1927; this is at the rate of almost $7.25 a share for a full twelve-month period. At the same time, the balance sheet of the company indicates a strong position, with net working capital of over $950,000 and surplus of over $200,000.

The income account shows gross profits from subsidiary operations and revenue from investments at $378,816 for the twelve-month period from which is deducted $51,240 absorbed by subsidiary companies for the first quarter, prior to the formation of the new company. This leaves gross of $327,576 for the nine months and after general appropriations for depreciation and taxes and deduction of three quarterly dividends on the preferred, net earnings applicable to the common were shown at $217,701.

For the balance sheet current assets are shown at $1,194,973 and current liabilities, including income tax reserve and February 1st dividend on preferred stock, at $228,047, leaving net working capital of $966,926. Current assets consist of $92,639 cash, $25,111 call loan, $376,278 account receivable, $426,264 marketable securities that are in lower than market price, and $270,944 inventories. Current liabilities are made up of $206,172 for accounts payable and accruals and $21,875 for dividends due.

Total assets amount to $1,903,143, of which $708,110 is represented by fixed assets; good will is carried at the nominal sum of $1, while investments shown amount to $429.817. Among the liabilities preferred stock is shown at $1,500,000, the outstanding 40,000 shares of no par common is carried at only $197,395; while surplus amounts to $217,701.

Can. Car Gets Big Order from Montreal Tramways

From Our Own Correspondent

MONTREAL.—It is understood that the Canadian Car and Foundry Company has obtained a $500,000 order for rolling stock from the Montreal Tramways Company. Coupled with this, the General Motors Corporation of Canada has placed a large order with the company for frames for Chevrolet cars.

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WESTERN UNION IS TAKEN OVER BY SUN LIFE

Canadian Company Can Now Increase Its Interest in U.S.

From Our Own Correspondent

MONTREAL.—The acquisition of a strong American insurance company in Spokane, Wash., is the latest move of the Sun Life Insurance Company of Canada.

The company is the Western Union Life Insurance Co., which has some $88,000,000 of insurance in force and has a very thorough organization covering the western states of the union. The Western Union's assets amount to something over 11,000,000.

The company was established in 1906, and over a period of twenty years it has made good progress under conservative direction. The immediate cause of its acquisition by the Sun, is the fact that the vice-president and general manager of the company died recently, and that the president, R. L. Rutter is in very indifferent health.

At the present time the Sun Life is doing a tremendous business in the United States, and its organization there has been continually expanding. They now have some 34 divisional offices in various parts of the States with business in force amounting to approximately $4,000,000. The new acquisition will enable the company to increase its interest in the Western States.

Restigouche Expected to Issue New 5½% Bonds

From Our Own Correspondent

MONTREAL.—It is anticipated that the Restigouche Company, the successor company of Stetson, Cutler Company, will issue $1,500,000 in new 5½ per cent. bonds. The Restigouche Company which is simply the new name for the Stetson, Cutler Company, will have a capitalization of 250,000 shares of no par value which will all be owned by the Fraser Companies, the parent organization. The subsidiary's limits contain some 7,000,000 cords of pulpwood which constitute a satisfactory wood reserve for the parent company. The total assets of the subsidiary are valued at $7,500,000. The Stetson, Cutler Company had outstanding some $2,400,000 in bonds.

Canada Power Common Listed

MONTREAL.—The new common shares of the Canada Power and Paper Company are to be listed on the Montreal Stock Exchange. Later, if it be deemed advisable, they may also be listed in Toronto and in New York. The company's outstanding share capital is 688,000 shares of no par value; the authorized issue is 750,000 shares.

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As subscriptions have been received in excess of the amount of this issue this advertisement appears as a matter of record only.

New Issue.

$650,000

ORANGE CRUSH, LIMITED
(ONTARIO CHARTER)

First Preference Shares
Par Value $100

The First Preference Shares will be fully paid and non-assessable; carry fixed cumulative preferential dividends at the rate of 7% per annum payable quarterly on the 1st January, April, July and October in each year by cheque at par at any branch in Canada of the Company's Bankers; are preferred as to dividends and assets over other classes of shares; are redeemable by purchase in the open market at the lowest available price, not exceeding the redemption price, or upon thirty days' previous notice, on any dividend date at $110 per share and accrued unpaid dividends; are convertible whether previously called for redemption or not on or before January 1st, 1933, at holder's option on any dividend date on fifteen days' previous written notice to the Company into no par value Common Shares at the rate of 4 shares of Common for each Preference share; are subject to restrictions on voting.

The Company is to set aside annually, commencing in 1929, a Sinking Fund of 10% of its net earnings in the previous year after providing for the current year's cumulative dividends on outstanding first and second preference shares. The Sinking Fund is to be used in the redemption by purchase or call of first preference shares.

TRANSFER AGENT AND REGISTRAR: Montreal Trust Company, Toronto.

CAPITALIZATION

	Authorized	To be Issued
First Preference Stock (this issue)	$650,000	$650,000
Second Preference Stock without nominal or par value	40,000 shares	40,000 shares
Common Stock without nominal or par value	186,000 shares	80,000 shares

(Sufficient common shares without nominal or par value are to be reserved for conversion of first and second preference shares from time to time outstanding.)

For detailed information, we refer to the letter dated January 23rd, 1928 from Mr. R. B. Lindsay, President of the Company, from which as well as other reports submitted to us, we summarize as follows:

PROPERTY—Orange Crush, Limited, Toronto, (new company) has purchased all the undertaking, property and assets of the old company of the same name which include all the issued stock of the Latin American Orange Crush Company, Havana, Cuba, and in addition has acquired the majority of the issued stock in the Buckingham Ginger Ale Company Limited and the Icy-Ornge Company Limited. The Company's Toronto plant and its subsidiary's Havana plant are equipped with modern and efficient machinery for the manufacture of concentrates and for the bottling of the Company's products. The Company also owns and operates bottling plants in the cities of Hamilton and London, Ontario.

BUSINESS—The Company is entitled during a period of ninety-nine years from the 4th March, 1924, to the exclusive right and license to manufacture, sell and distribute throughout the Dominions of Canada and Newfoundland under the trade marks relating thereto "Ward's Orange-Crush," "Ward's Lemon-Crush," "Ward's Lime-Crush" and other Crushes and concentrates manufactured or hereafter to be manufactured by Orange-Crush Company incorporated in the State of Illinois, U.S.A. It has also special arrangements for the supply of ingredients for the manufacture of the necessary concentrates. Its subsidiary has similar rights in Cuba. The Company, either directly or through its Cuban subsidiary and licensees will manufacture and distribute in the Dominions of Canada and Newfoundland and in the Republic of Cuba, Ward's Orange, Lime, Chocolate and Lemon Crushes in concentrate and bottled form, fountain syrup and ice cream flavoring compounds. The Company's products have a high reputation for quality and enjoy public favor. It is the Company's intention to continue the same broad and energetic advertising policy as heretofore. Over eighty-five individual plants from coast to coast in Canada are now bottling and distributing "Orange Crush" under franchise from Orange Crush, Limited.

ASSETS—As at December 31st, 1927.

Land, Buildings, Machinery and Equipment (at depreciated appraised values)	$ 328,948.25
Net Current Assets (after making provision for all current liabilities)	322,845.35
Investment in allied companies	83,000.00
Licenses and deferred charges	395,206.40
	$1,130,000.00

EARNINGS: As certified by Peat, Marwick, Mitchell & Company.

The consolidated net income of Orange Crush, Limited (old company) and its subsidiary for the year ending December 31st, 1927, before providing for depreciation and income war tax, amounted to	$254,189.35
The net income of the above companies for the same period after providing for depreciation and income war tax, available for preferred stock dividends, amounted to	$210,472.40

Which is at the rate of 32.38% on the First Preference Stock.
or 4⅝ times the first preference dividend requirements.

CONVERSION—First preference shares are convertible at holder's option down to and including, but not after, January 1st, 1933, on any dividend date on fifteen days' previous notice and surrender of certificates to the Company, into common shares without nominal or par value at the rate of four common shares for each first preference share. The right to convert is exercisable notwithstanding that the shares to be converted have been called for redemption. Inasmuch as thirty days' notice of the Company's intention to redeem must be given, holders whose first preference shares have been called for redemption, will be assured of reasonable time in which to elect to convert any shares which may be called.

MANAGEMENT—The Company will continue under the active management of Messrs. R. B. Lindsay, R. H. Lindsay, E. H. Lindsay and their associates who have so successfully developed the business of the old company.

We have purchased and offer the above shares when, as and if issued and received by us subject to approval of all legal details by Messrs. Long & Daly, Toronto.

PRICE: 100 and accrued dividend, yielding 7%

This stock carries with it a bonus of no-par common stock at the rate of three shares of common stock for every ten shares of preferred stock. Fractional adjustments of common stock will be made at $15.00 per share.

The right is reserved to reject any or all applications and also, in any case, to award a smaller amount than applied for. Interim certificates are expected to be ready for delivery on or about January 27th, 1928. Application will be made in due course for listing of the preference and common shares of the Company on the Toronto Stock Exchange.

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G. T. CLARKSON TELLS CONDITION IN BROOKS' CO.

Winding-up Would Net 5 Per Cent. of Capitalization

'BUS IS ONLY HOPE

Special general meeting of shareholders of Brooks Steam Motors has been called in Toronto for February 2nd, for the purpose of ratifying the settlement of litigation between the dissenting shareholders and O. J. Brooks and his adherents. Accompanying the notice of meeting is a letter signed by G. T. Clarkson, which sets forth in detail the condition of the company as at November 30th, when Mr. Clarkson completed his investigation at the behest of Mr. Justice Middleton, and explaining under what circumstances and terms Mr. Clarkson accepts the chairmanship of the company.

At the time of the inquiry, the company had on hand cash of $12,946, and receivables and prepared taxes of $46,532, or a total of $59,478 in current assets. There was due to creditors $13,832 and the expenses were running from $8,000 to $10,000 monthly. As the receivables largely represented time payments on stock, which were coming in slowly, Mr. Clarkson ventured the opinion that the company could not continue to operate for long.

95% of Assets Gone

On the other hand, if the company were wound up at that stage, there would be available for the shareholders only between $100,000 and $125,000. This would be only 5 per cent. of the capital issued, totalling $2,064,970, and less than 5 per cent. of the cash put in by the several thousand shareholders throughout Canada.

Mr. Clarkson accepts chairmanship of the board on condition that the settlement of the litigation be ratified, that final authority in all matters affecting the company be placed in his hands or the hands of his successor, to be nominated by him, and that the resignations of directors be in his hands to become effective at his discretion. Mr. Clarkson also states that his connection with the company shall be temporary only.

Mr. Clarkson is careful not to express an opinion as to the commercial possibilities of the steam bus. But he is willing that the experiments be carried somewhat further and points out this will be possible when the company has received $150,000 from O. J. Brooks and Brooks Securities for 20,000 shares of preferred stock (which is the basis of the settlement agreement). It is hoped that further experiment will enable the company either to refinance and place the bus on the market or enable the company to sell patent rights at a figure which will give shareholders a larger percentage of their investment than would be possible if the company were wound up at this stage.

Must Not Sell Stock

Neither O. J. Brooks nor Brooks Securities will be permitted to sell the stock purchased under this agreement until such time as Mr. Clarkson has stated that the bus is commercially feasible. This does not, however, affect the sale of stock which Brooks or anyone else may have obtained from brokers or in the open market. Mr. Clarkson is to vote the common stock of the company.

Expenses of the company are being very largely reduced. D. McCall White, H. A. Oswald and G. O. Norton have voluntarily cancelled their contracts with the Canadian company and are agreeable, it is said, to employment at smaller sums until such time as the company may be in position to be more generous in remuneration of these executives.

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Secretary, M. H. HUTCHISON
Treasurer, T. F. McNALLY
Asst. Treasurer, A. C. McMILLAN

Canadian Vickers is Still Attractive

From Our Own Correspondent

MONTREAL. — In its first issue in January, The Financial Post picked a group of stocks which would make attractive purchases for a business man during the present year. In this group was included the common stock of Canadian Vickers. Canadian Vickers is not listed on any market and the shares change hands between brokers only. Acting on the advice of The Financial Post, a small Toronto investment syndicate purchased a block of the stock at 30. This week a broker called the purchasers up and offered them 34; later in the day a small block of stock changed hands at 37. At the higher figure, the stock does not look as attractive as it did at the beginning of the year; nevertheless, it is still regarded as an interesting long hold purchase for a business man.

NATIONAL TRUST EXCEEDS RECORD FOR PAST YEAR

Current Dividend Rate is 12% and Usual Bonus is 1%

Annual report of National Trust Co. shows that the company in 1927 exceeded all records for a year's growth, having gained almost $24,000,000 in assets under administration after disbursing many millions. The total assets now are $181,383,867. Net profits total $434,445, or 14.4 per cent. on the capital of $3,000,000. The company in the last year increased its capital from $2,250,000 to $3,000,000 and its reserve in the same amount. The current dividend rate is 12 per cent. per annum and the usual bonus is 1 per cent.

Out of current earnings, the company transferred $189,500 to reserve fund. After providing for dividends and taxes, the amount carried forward in profit and loss is $186,891.

Profits Grow Quickly

Net profits of $504,647 represent a gain of more than $100,000 over the previous year, the figure for 1926 being $402,647.

Total assets of the company are now $181,383,867, compared with $157,406,426 a year ago. Real estate held for sale under mortgage foreclosure has been reduced from $332,254 to $301,065. The principal of mortgages outstanding under capital account is $2,771,680, compared with $2,353,329 a year ago. Loans on stocks and bonds total $2,916,883. Bonds total $1,106.984, and stocks $265,798. The capital assets total $6,259,085, compared with $4,820,226 a year ago.

Estates Branch Prospers

In the guaranteed trust account it is found that mortgages outstanding total $8,958,025, compared with $7,592,823 a year ago, and the total assets under this head are now $14,408,520, compared with $11,650,140 a year ago.

Funds and investments in the estates, trusts and agency accounts total $160,716,261, compared with $140,936,059 a year ago.

Distribution of Earnings

	1925 $	1926 $	1927 $
Earnings	376,693	402,647	504.409
Taxes	60,073	63,022	69.964
Net profits	315,620	339,625	434,445
Distribution—			
Dividends	270,000	270,000	351,341
Bonus	....	....	30,000
Ins. reserve	....	50,000	....
Reserve	....	....	187,500
Balance	45,620	19,625	x134,396
Prev. bal.	121,646*	167,266	186.891
P. & L. bal.	167,266	186,891	52,495

*Debit.

Rate of Earnings

Year	Paid-up Capital	†Profits	Earned p.c.	Div.
1913	$1,500,000	$252,022	16.8	10
1914	1,500,000	237,869	15.8	10
1915	1,500,000	218,902	14.9	10
1916	1,500.000	222,754	14.8	10
1917	1,500,000	226,080	15.0	10
1918	1,500,000	239,784	15.9	10
1919	1,500,000	247,440	16.4	10
1920	2,000,000	235,025	14.0	11
1921	2,000,000	276,865	13.8	12
1922	2,000,000	276,598	13.8	12
1923	2,000,000	286,660	14.3	12
1924	2,250.000	*296,493	13.1	12
1925	2,250,000	315,620	14.0	12
1926	2,250,000	339,625	15.0	12
1927	3,000,000	434,445	14.4	12+1

*Includes $109,386 paid for remodelling head office premises.
†Less taxes.

HURON AND ERIE SHOWS PROGRESS FOR LAST YEAR

Directors Will Recommend That Regular Dividend of 8% be Paid

Annual report of the Huron & Erie Mortgage Corp. for the year ended December 31, 1927, shows continued progress. The increase in the profit, from $574,014 to $577,841, is moderate, but this is only partially indicative of the additional strength that has been injected into the balance sheet. The directors will recommend that the regular dividend be 8 per cent., instead of the present rate of 7½ per cent., including bonus.

The reserve has been increased by $150,000 to $2,500,000, or to half the total of the capital. The several office buildings owned by the company are carried in the books at $998,083, a total of $20,000 having been written off these items in the current profit and loss account. Real estate held for sale, all of which was acquired with the assets of the Hamilton Provident and Loan Corp., has been reduced from $103,170 at the close of 1926 to $68.499 at the end of 1927.

Canadian debentures, which a year ago totalled $19,930,000, have been increased by $1,840,000, and a gain of $1,200,000 is recorded in savings deposits, these now totalling $9.850,000. Assets have grown $2,455,000 in the year and now stand at $42,013,578. The total of mortgages, exclusive of interest accrued, total $33,735,563, compared with $30,287,521 a year ago. This company is among those which do not loan money on its own stock.

Some reduction in the amount of bond holdings is noted, and there also is a reduction in the total of cash on hand. These conditions probably are accountable for the increase in mortgages outstanding and to the acquisition during the year of another mortgage company.

The following table shows the progress of the company:

Distribution of Earnings

	1925 $	1926 $	1927 $
Profits	572,815	574,014	577,841
Taxes	60,608	45,573	71,339
Premises	15,000	15,000	20,000
	75,068	60,573	91,339
	479,747	513,441	486,502
Distribution—			
Dividends	375,000	375,000	350,000
Reserve	100,000	123,920	150,000
Balance	22,747	14,521	*13,498
Prev. bal.	51,938	74,685	89,206
P. & L. bal.	74,685	89,206	75,708

*Debit.

Rate of Earnings

Year	Paid-up Capital	*Net Profits	Earned p.c.	Div.
1913	$2,100,000	$368,588	17.5	12
1914	2,406,201	400,116	17.3	12
1915	2,458,415	409,203	17.0	12
1916	2,500,000	419,262	16.4	12
1917	2,500,000	421,151	17.0	12
1918	2,50,0000	446,668	17.8	12
1919	5,000,000	493,037	9.8	6
1920	5,000,000	505,943	10.1	6+1
1921	5,000,000	531,444	10.6	6+1
1922	5,000,000	521,482	10.4	7
1923	5,000,000	500,458	10.0	7
1924	5,000,000	501,237	10.0	7½
1925	5,000,000	497,747	9.9	7½
1926	5,000,000	513,441	10.2	7½
1927	5,000,000	486,502	9.7	7

*Taxes and amount written off premises deducted.

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Illinois Central 10th mid-winter vacation party leaves Chicago Saturday, February 18.

Special Train—a Home on Wheels

The all expense charge includes round trip railroad fare to New Orleans direct or via beautiful Mississippi Gulf Coast, meals on train while en route, lower berth for entire trip, 30-mile sightseeing Harbor trip at New Orleans, sight-seeing auto trip around New Orleans and auto ride through National Military Park, Vicksburg, Miss. Charges vary according to accommodation used.

Side Trip to Hot Springs, Ark., $23.55 additional

Special reduced rate Mardi Gras round trip ticket (transportation only) good on all trains, on sale at principal points in Canada, from Feb. 13 to 19, inclusive.

Special train will be parked in downtown New Orleans. Equipment includes drawing room compartment, open section sleeping cars, dining, club and observation cars—a complete home on wheels.

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310 Dominion Bank Bldg., Toronto, Ontario
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THE ROAD OF TRAVEL LUXURY

Many Factors Cause Charles Gurd's Rise

From Our Own Correspondent

MONTREAL. — Other than the fact that Charles Gurd & Company is understood to have received an offer of around $100 a share for the stock, some of the other factors influencing the price of the shares include: earnings have increased greatly from the increasing sale of the company's products; an increase in the dividend is in view; new stock may be offered which would give rights of around $10 a share to the present issue and the possibility of the preferred stock being retired which would be followed by a split in the common.

MONTREAL POWER WILL NOT REDUCE ITS CURRENT RATE

Consumers Benefit if Company Gets Reduction in Income Tax

From Our Own Correspondent

MONTREAL.—Replying to the demand of the city council of Montreal for a rate reduction which would place all Montreal Power's customers on a parity with those in Westmount, J. S. Norris, vice-president of the company, forwarded a letter to the city council in which he says that the company cannot accede to the request for a rate reduction as the cut rate allowed to a few of the company's Westmount customers is unprofitable and cannot be extended to other territories.

Should the company be successful in obtaining a reduction in its income tax, the benefit would be passed on to the consumer in Montreal in the form of reduced rates. Further, J. S. Norris informs the city that the rates in Montreal are generally lower than those in Toronto and that gas rates in Montreal, despite abnormal conditions, are lower than those in most of the large cities of the United States. The letter to the city makes the following comparison between Montreal and Toronto rates in the year 1926:

	No. of customers	% total	Revenue per customer: Per month	Revenue per customer: Per annum
MONTREAL				
Bi-monthly	186,403	96.6	$1.57	$18.64
Total	192,855	100	2.15	25.86
TORONTO				
	145,563	100	2.60	31.24

	Service charge min.	Service charge max.	Minimum monthly bill
Montreal	15c	15c	50c
Toronto	30c	90c	83c

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CANADA TRUST CO. REPORTS INCREASE OF NET EARNINGS

Distribution of Profits Includes 10 Per Cent. for Dividends

Canada Trust Co., subsidiary of Huron & Erie Mortgage Corp., had net profits of $135,213, in the fiscal year ended December 31, 1927, compared with profits of $133,747 in the previous twelve months. The distribution of the profits included 10 per cent. for dividends, and, after taxes, $32,941 is added to surplus. The reserve fund now totals $800,000, or 75 per cent. of capital, having been increased by $50,000 in the year.

No real estate is held for sale. The principal of mortgages held in capital account has been reduced slightly but the total of capital assets is up some $29,000 to $1,851,154. The guaranteed trust account is up from $5,554,107 to $6,447,100. Estates, trusts and agency account shows a slight increase to $12,276,953. The total of assets is $20,575,207.

The following figures show the progress of the company:

Rate of Earnings

Year	Paid-up capital	*Profits	Earned p.c.	Dividend
1913	$ 672,732	$63,990	9.5	5
1914	1,000,000	101,068	10.1	6
1915	1,000,000	117,009	11.7	6
1916	1,000,000	121,692	12.1	6
1917	1,000,000	126,174	12.6	7
1918	1.000,000	125,319	12.5	8
1919	1,000,000	120,147	12.0	8
1920	1,000,000	144,873	14.4	8+4
1921	1,000,000	157,724	15.7	8+4
1922	1,000,000	83,629	8.3	8
1923	1,000,000	94,018	9.4	8
1924	1,000,000	107,343	10.7	9
1925	1,000,000	108,848	10.8	9
1926	1,000,000	115,699	11.5	9½
1927	1,000,000	118,213	11.8	10

*After deducting taxes.

SASKATOON CITY HAS COLLECTED 77% OF ITS TAXES

Total Collection of $1,054,360 Constitutes Record for City

Nearly 77 per cent. of its current tax levy in 1927 was collected by Saskatoon, the total collections being $1,054,360. This constitutes a record in the city's history. In 1926, the percentage collected was 72.70, while for ten years previous, the average collections were around 68 per cent.

Taxes in arrears collected during 1927 totalled $342,757.90, representing 42.77 per cent. of the outstandings. This also represents a very decided improvement as in 1926 arrears collected only equalled 38.91 per cent.

In addition to the clearing up of current taxes, and ordinary arrears in this satisfactory manner, the city was successful in disposing of some 1,214 pieces of property to which title had previously been taken under The Arrears of Taxes Act, realizing $228,666.28 therefor.

Adding together collections on account of current taxes and arrears as well, as the amount realized from the sale of tax title property, a grand total of $1,619,784.62 was secured. The 1927 tax levy was $1,381,950.96 so that collections from all sources were equal to 117.2 per cent. of last year's levy.

Divides Net Outstandings

Taking into account a reserve of $495,450 which has been set up against uncollectable taxes net outstanding arrears at the 1st January, 1928, amounted to $942,602. On the 31st of October, 1925, the corresponding total was $1,868,115, so that during a period of a little over two years, the city has succeeded in practically cutting in two the net outstandings.

As a result of the satisfactory position which the city has worked itself into, with respect to its taxes, its indebtedness to the bank on current account has been reduced to $37,550, which compares with $231,140 owing at the same date last year.

HIGHER ACCOUNTING
leading to every known degree granted by accounting associations in Canada is offered in form of a Revised Extension Course under the personal direction of W. S. Ferguson, C.A., through the Shaw Schools, Bay-Charles Sts., Toronto. Address Dept. P for particulars.

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24
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NEW ISSUE

$7,000,000

Donnacona Paper Company, Limited

5½% First Mortgage Sinking Fund Gold Bonds, Series "A"

To be dated February 1st, 1928, maturing February 1st, 1948. Principal and semi-annual interest (February 1st and August 1st) payable in Canadian gold coin or its equivalent, at the Bank of Montreal, Montreal, Quebec, Toronto, Halifax, Saint John, Charlottetown, Ottawa, Hamilton, Winnipeg, Calgary, Regina, Vancouver or Victoria; or, at the option of the holder, in United States gold coin or its equivalent, at the Agency of the Bank of Montreal, New York, or in Sterling at the Bank of Montreal, London, England, at the rate of $4.86⅔ to £1. Coupon Bonds, denominations $1,000 and $500, with privilege of registration as to principal. Redeemable as a whole or in part, at the option of the Company, on 60 days' notice, on any interest date at a premium of 5% up to and including February 1st, 1929; at a premium of 5%, less ¼ of 1% for each calendar year or part of a calendar year of their currency comprised in the period from February 1st, 1929 to and including February 1st, 1947, and thereafter until maturity without premium; in each case with accrued interest. The Company will assume United States Normal Income Tax up to 2%, and will refund certain State taxes, as defined in the Trust Deed. Trustee: The Royal Trust Company, Montreal.

CAPITALIZATION

	To be Authorized	To be Outstanding
First Mortgage Sinking Fund Gold Bonds, due 1948	$12,000,000	$7,000,000*
Twenty-year Gold Debentures, due 1948	6,000,000	4,000,000†
Common Shares (no par value)	200,000 shares	150,000 shares

* of Series "A", 5½%.
† of Series "A", 6%.

Descriptive circular, copies of which will be supplied upon request, contains a letter from Mr. Robert P. Kernan, Vice-President of the Company, from which he summarizes:

THE COMPANY: Donnacona Paper Company, Limited, is being incorporated under the laws of the Province of Quebec to acquire as a going concern the assets and undertaking of the Company of the same name, which for fourteen years has been successfully engaged in the manufacture of newsprint paper at Donnacona, Quebec.

PROPERTIES: Properties which will be owned or controlled by the Company include a newsprint paper mill of 230 tons daily capacity, with necessary groundwood and sulphite plant, situated at the junction of the Jacques Cartier and St. Lawrence rivers, about thirty miles west of the City of Quebec; freehold and leasehold timber areas in the Province of Quebec—principally on the watershed of the Jacques Cartier River—estimated to contain approximately 5,400,000 cords of pulpwood; developed water powers of 11,000 horsepower installed capacity, of which 6,200 horsepower is hydro-electric and 4,800 horsepower is hydraulic; undeveloped water powers having an estimated capacity of 35,000 horsepower; and the townsite of Donnacona, comprising hotel and school house, houses for employees, etc., situated on the Montreal-Quebec main highway.

VALUE OF ASSETS: The value of mill properties and water powers, developed and undeveloped, freehold and leasehold timber lands and other fixed assets owned or controlled by the Company is estimated to be approximately $14,000,000.

Net current assets of the Company and of its subsidiaries as at November 30th, 1927, after deduction of current liabilities and after giving effect to this transaction, as certified by Messrs. Sharp, Milne & Co., Chartered Accountants, amounted to $1,624,273.46.

The consolidated value of fixed and net current assets combined, adjusted as at November 30th, 1927, therefore, amounted to $15,624,273.46, as against $7,000,000 of Series "A" Bonds now to be issued—equivalent to $2,232 per $1,000 Bond.

EARNINGS: Based on the annual earnings of the predecessor company and its subsidiaries, after deducting operating and maintenance expenses and local taxes, and available for interest, depreciation, etc., for the three years ended December 31st, 1926, as certified by Messrs. Sharp, Milne & Co., the average annual earnings available for bond interest amounted to $1,087,461.28, equivalent to 2.8 times the annual interest requirement of $385,000 on Series "A" Bonds now to be outstanding.

Net earnings on the same basis for the eleven months ended November 30th, 1927, are certified by Messrs. Sharp, Milne & Co., as $930,582.15.

SINKING FUND: The Trust Deed will provide for an annual cumulative sinking fund of 2% for the retirement of bonds issued thereunder, commencing February 1st, 1930.

OWNERSHIP AND MANAGEMENT: A controlling interest in the Company's common shares has been acquired by Price Brothers & Company, Limited, of Quebec, and associates, through substantial cash investment.

Price Brothers & Company, Limited, is one of the oldest and largest manufacturers of newsprint paper in Canada, and its preferred and common shares, which are listed on the Montreal and London stock exchanges, have a total market value as evidenced by current quotations in excess of $40,000,000.

Directors of the Company will include the following: John H. Price as President, J. L. Apedaile as Vice-President, and W. G. Mitchell, R. H. Nisbet and A. C. Price, all of whom are officers of Price Brothers & Company, Limited; W. C. Pitfield, Director of Fraser Companies, Limited; Victor E. Mitchell, K.C., D.C.L., Director of Abitibi Power & Paper Company, Limited; and Robert P. Kernan as Vice-President of the Company.

We offer these Bonds for delivery if, as and when issued and received by us, and subject to the approval of counsel of all proceedings at—

99½ and accrued interest, to yield about 5.55%

Royal Securities Corporation, Limited

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CHARLOTTETOWN OTTAWA HAMILTON CALGARY REGINA VICTORIA ST. JOHN'S, NFLD.

The above statements are not guaranteed, but are based upon information which we believe to be reliable and on which we acted in purchasing these securities.

MONTREAL LIGHT IN GOOD POSITION FOR 1927 PERIOD

Income Account Shows Effect of 1926 Bond Issue

INSURANCE FUND UP

Gross Revenue is Increased Largely and Earnings on Common Stock Are Satisfactory

From Our Own Correspondent

MONTREAL.—Of more than ordinary interest is the annual report of the Montreal Light, Heat and Power Company for the year 1927. For the first time the company's income account shows the effect of the issue late in 1926 of $30,000,000 in bonds. Earnings on the common stock this year were $3.37 per share as against $3.46 last year, but the higher figure of 1926 was due to the refinancing carried out at that time; profit and loss in 1926 did not show the increased annual fixed charges. The three outstanding points about the annual report are: first, the largely increased gross revenue; second, satisfactory earnings on the common, despite the largely increased fixed charges, and third, the tremendous increase in strength in the company's working capital position. The splendid position occupied by the company may be judged from the following figures which compare the income accounts and the working capital position of the company over the past three years:

	1927 $	1926 $	1925 $
Gr. rev.	20,314,902	18,907,382	18,348,806
Deduct—			
Oper. exp.	7,280,697	7,109,918	7,349,243
Taxes	1,186,708	1,213,038	1,274,655
Depen.	2,031,490	1,890,738	1,834,881
Net rev.	9,816,006	8,693,688	7,890,027
F. charges	2,922,912	1,611,121	1,213,650
Net income	6,893,093	7,082,567	6,676,377
Dividends	3,915,422	5,135,041	5,119,091
Year's surp.	2,977,671	1,947,525	1,557,280
Pen. fund	20,000	20,000	20,000
Ins. res.	300,000	58,043	......
*Balance	2,657,671	1,869,482	1,537,286

*Transferred to capital and surplus.

Working Capital Position—

	1927 $	1926 $	1925 $
C. assets	19,065,948	13,184,961	14,832,053
C. liabs.	4,348,501	4,399,062	4,185,864
W. capital	14,717,447	8,785,899	10,647,089

There are many satisfactory points about Montreal Power's balance sheet. The company carries no fixed assets. Its assets are composed of stocks and bonds in subsidiaries which this year are carried at some $600,000 below the 1926 level. The reduction in these assets is due to the company's satisfactory allowances for depreciation. The investment account is up from $9,000,000 a year ago to $12,800,000 this year. This increase accounts largely for the jump in working capital account. For the first time a $2,000,000 asset is carried under the head of call loans.

In the liabilities the bonds outstanding have been reduced by $220,000 during the year. Insurance fund is up from $700,000 to $1,000,000. Capital and surplus account stands at $161,425,133—an increase of over $5,000,000 during the year. This year the total assets stand at over $97,000,000 as compared with $91,818,810 a year ago.

The remarks of Sir Herbert S. Holt, the president, to the shareholders deal fully with the operations of the company. He says the increased revenues reflect the city and the company. Again, Sir Herbert stresses the point that taxation of public utilities in Quebec is discriminatory as compared with Ontario. He says that Montreal Power last year paid in taxes upwards of 17 per cent. of its net income—a figure more than largely in excess of what utilities in Ontario pay.

In addition to retiring 220,000 of its own bonds during the year, the company retired a further $205,000 of the bonds of its various subsidiaries. In concluding his report, the president indicates that with a continuance of satisfactory business condition, the management may be able to make further rate reductions at an early date despite the fact that Montreal enjoys an unrivalled position for minimum rates in respect of both gas and electricity throughout America, although the company obtains its raw materials from sources far afield and in addition, is handicapped by import duties and adverse weather conditions.

NOVA SCOTIA BANK INCREASES RESERVE TO TWICE CAPITAL

Profits and Assets Showed Healthy Increase in 1927

Last of the "big four" to present its annual statement, Bank of Nova Scotia quite measures up to the records shown by other banks that have hitherto reported for 1927. A healthy increase in profits enabled the bank to add $500,000 to its reserve account, bringing that to $20,000,000 or 200 per cent. of its capital. The surplus profits for 1927 alone provided about two-thirds of this appropriation to reserve account.

Profits were $2,365,319, as compared with $2,243,242 in the previous year. Comparative figures for three years follow:

Income and Surplus Account, Years Ending December 31

	1927 $	1926 $	1925 $
Profits	2,365,319	2,243,242	2,137,209
Pension	95,000	85,000	75,000
Tax on circ.	100,000	100,000	100,000
Premises	250,000	250,000	250,000
	445,000	435,000	425,000
	1,920,319	1,808,242	1,712,920
Dividends	1,600,000	1,600,000	1,600,000
Reserve	500,000	......	......
Balance	*179,681	208,242	122,920
Prev. balance	658,887	450,644	337,723
P. & L. balance	479,206	658,886	450,643

* Debit.

Assets Increase by $15,000,000

Assets reach a total of $261,736,000 at the end of the year, an increase of over $15,000,000. Savings deposits increased by $10,500,000, and current loans by $6,200,000. A sign of the times is the $8,000,000 increase in call loans in Canada, which suggests the extent to which Canadians have developed a large trading market in their own securities.

Comparative balance sheet figures for two years follow:

Summary of Balance Sheet

Immediately Available Liquid Assets

Assets—	1927 $	1926 $	Change $
Specie	8,969,928	9,117,818	— 147,890
Dom. notes	19,626,472	18,890,348	+ 736,124
Note cir. d.	492,540	488,027	+ 4,513
Call L. ab.	12,062,648	11,308,375	+ 754,273
Cheques	10,710,589	11,223,627	— 513,038
Gov. sec.	26,952,426	31,463,978	— 4,511,552
Gold res.	6,500,000	6,000,000	+ 500,000
Notes, bk.	1,275,086	990,685	+ 284,401
For cur.	1,921,805	1,750,776	+ 171,029
Bk. bal. ab.	3,369,831	3,482,097	— 112,266
	91,881,325	94,715,731	— 2,834,406
% tot. as.	35.10	38.50	— 3.40
% t. liab. to p.	39.80	43.83	— 4.03
Other Assets			
Pub. sec.	11,568,237	10,293,500	+ 1,274,737
Other sec.	12,925,631	12,491,890	+ 433,741
C. L. Can.	27,457,071	19,380,733	+ 8,076,338
Current	82,145,511	75,944,209	+ 6,201,302
Elsewhere	22,126,487	19,732,839	+ 2,393,648
Non. cur.	224,009	373,342	— 150,333
Premises	6,836,478	7,175,202	— 338,724
L. of cred.	6,388,227	6,328,068	+ 60,159
Real est.	12,474	40,924	— 28,450
Other asst.	172,529	245,146	— 72,617
	169,855,654	152,005,853	+17,849,801
T. asst.	261,736,980	246,721,584	+15,015,396
Liabilities to the Public			
Liabilities—			
Cir.	15,190,167	14,981,153	+ 209,014
Dem. dep.	39,182,889	36,577,192	+ 2,605,697
Savings	164,315,681	153,805,050	+10,510,631
Due banks	2,366,879	1,868,972	+ 497,907
Due else.	1,631,800	1,104,189	+ 527,611
L. of cred.	6,388,227	6,328,068	+ 60,159
Bills pay.	1,495,264	1,269,720	+ 225,544
Other liab.	286,038	225,877	+ 60,161
	230,856,945	216,160,221	+14,696,724
Liabilities to Shareholders			
Capital	10,000,000	10,000,000	......
Reserve	20,000,000	19,500,000	+ 500,000
Dividends	400,828	402,476	— 1,648
Balance	479,207	658,887	— 179,680
	30,880,035	30,561,363	+ 318,672
T. liabs.	261,736,980	246,721,584	+15,015,396

Dominion Stores Does Well in 1927

Sales of Dominion Stores in 1927 totalled $19,277,000, it is reported, compared with $15,257,000 in 1926. The company opened 63 new stores in the course of the year.

Capitalization of the company is now 82,500 shares of common of no-par value. There are neither bonds nor preferred stock. Recent sharp upturn in the price of the stock has encouraged a rumor that stock rights soon would be offered shareholders.

This company finances extraordinary expansion by means of new stock issued on favorable terms to shareholders.

OFFER TO HOLDERS OF DOMINION IRON IS THOUGHT GOOD

Is Likely to be Accepted by Most of Shareholders

BESCO IS PERTURBED

Interests Close to National Trust Are Considered to be Behind New Proposal

From Our Own Correspondent

MONTREAL.—The figure of 86½, plus accrued interest, offered the holders of the Dominion Iron and Steel guaranteed bonds is regarded as an eminently satisfactory figure which will probably be accepted by the vast majority of the holders of the issue. The price compares with the figure of 85 at which the bonds sold in 1922.

Apparently, interests close to the National Trust have made the offer for the issue with the idea that should the trust company not be successful in its suit before the Privy Council asking for the liquidation of the Dominion Steel Corporation, the trust company could then press for the liquidation of the steel company through the Dominion Iron bonds which are guaranteed by the parent organization. Roy M. Wolvin, president of Besco, had long intended to redeem these guaranteed bonds by the issuance of new securities which would have provided the holders with adequate security; no action was taken, though, due to the various jangles which occurred between Besco and the National Trust. In the meantime, The Financial Post learns that no longer is the National Trust Co. acting on behalf of the holders of the guaranteed bonds.

The present situation seems to indicate clearly that the National Trust interests are making every endeavor to assure the liquidation of the Dominion Steel with a subsequent reorganization of Besco in which the National Trust will play a prominent part.

The Besco management obviously still feels that any reorganization which would be brought on by the liquidation of the Dominion Steel Corporation could not be in the best interests of the shareholders of Besco or the preference shareholders of the Dominion Steel Corporation. At the moment, everything seems to indicate that the National Trust is leading in the fight with the corporation. But there seems to be no doubt that Besco has one or two cards up its sleeve which it can play in the interesting game now in progress. What Besco intends to do in the immediate future has not been announced, but there will be important future developments in the struggle without a doubt.

PACIFIC-BURT CO.'S PROFITS EXCEED PREVIOUS YEAR'S

Stock in Last Several Months Has Moved Forward Steadily

Pacific-Burt Co. earnings in the current year (ending March 31) are reported to be somewhat in excess of the year previous, when $118,495 before taxes were shown. The stock in the last several months has been moving forward steadily. S. J. Moore, the president, stated in the last annual report that the extraordinary expenses referred to previously, had been continued through the year ended March 31, 1927, but he left the inference that there would be no great charge under this head in the current year.

It is said that the operating profits of the company remain remarkably steady throughout, variations in net income being accountable almost entirely to any additional sales or marketing efforts which may be incurred with a view to expanding volume. Pacific Burt operates in the far Western States, manufacturing salesbooks and other goods of the type and use manufactured in the Eastern States by American Salesbook Co.

New Brunswick's apple growers had a profitable year in 1927, the crop being favorably sold, with Montreal the principal market for the province's export stock.

Cedar Rapids to Pay Large Legal Costs

From Our Own Correspondent

MONTREAL.—In a decision handed down by the Privy Council, the Cedar Rapids Manufacturing and Power Company, a wholly owned subsidiary of Montreal Power, is to pay $120,000 plus costs to the de Beaujeu estate. The costs will be large for the litigation has dragged along for five years. The action centred on certain power rights and an island in the St. Lawrence River, which formed a part of Montreal Power's Cedar Rapids development where 220,000 h.p. is generated. Part of the output of the plant goes to the Montreal Power, the parent company, and a large block is sold to the electro-metallurgical works in Wassena, New York.

BRITISH MORTGAGE CAPS ALL RECORDS IN 1927 EARNINGS

Company Continues Dividend Payments of 12% Plus 2% Bonus

Although it increased its capital in the year to $600,000, the British Mortgage & Trust Corp., Stratford, Ont., in 1927 earned at the highest rate in its history—18.6 per cent., or $111,847. In 1926, the earnings were 18.3 per cent., or $106,550. The company continues to pay dividends of 12 per cent. plus 2 per cent. bonus.

With the transfer of $35,000 to the reserve, that fund now stands at $685,000, or $85,000 more than the capitalization.

Mortgages in the year increased from $1,181,239 to $1,223,979. A great growth is evidenced in the guaranteed trust account, the total assets now standing at $4,027,815, compared with $3,380,574 a year ago. The estates department shows assets of $143,376 and the total assets of the corporation at $5,543,851 at the end of 1927, compared with $4,690,188 a year ago.

The following table shows the growth of the company over a term of years:

Year	Paid-up capital	Profits	Rate of Earnings Earned p.c.	Dividend
1913 ..	$449,450	$ 50,277	11.1	8
1914 ..	449,650	49,832	11.0	8
1915 ..	450,000	54,758	12.1	8
1916 ..	450,000	63,942	14.2	9
1917 ..	500,000	62,984	12.5	10
1918 ..	500,000	73,823	14.7	10
1919 ..	500,000	82,954	16.5	12
1920 ..	500,000	95,552	18.5	12+2
1921 ..	500,000	70,581	14.1	12
1922 ..	500,000	85,145	17.0	12
1923 ..	500,000	88,854	17.7	12+2
1924 ..	500,000	88,335	17.6	12+2
1925 ..	568,900	92,755	18.5	12+2
1926 ..	582,600	106,550	18.3	12+2
1927 ..	600,000	111,847	18.6	12+2

WILLIAM A. ROGERS IS LIKELY TO SHOW SOME BETTERMENT

General Prosperity in Canada and U. S. Has Stimulated Sales

William A. Rogers, Ltd., and its affiliated company, Canadian William A. Rogers, will publish their annual reports next month. It is expected that both companies will show a material improvement over the previous year, because silver and other metals entering into the products (prices of which were seriously affected by the war) can be purchased now under favorable conditions, and because the general prosperity of both the United States and Canada has stimulated sales.

While a proportion of the business of these companies is affected by general conditions, it is more in the nature of a staple business than the casual observer would conclude. Tableware is a necessity, and, with both these companies manufacturing standard qualities of utensils, demand is fairly steady, with fluctuations affecting only the more expensive goods. When silver and other metals were scarce and expensive, there was a tendency on the part of the public to substitute other gifts for the time-honored silver, but the older traditions have reasserted themselves, it is said, with a consequent betterment of earnings. William A. Rogers operates in the United States, and the Canadian William A. Rogers in Canada. The last of the arrears of dividends on William A. Rogers preferred were paid in 1926. Dividends of the Canadian William A. Rogers are in arrears from April, 1924.

Winnipeg Banker Opens New Investment House

After being for more than twenty-five years associated with the Dominion Bank, for the last twelve years as manager of the Portage Avenue and Sherbrooke, Winnipeg, branch, E. J. Townshend is leaving that institution on the first of next month to assume the management and direction of a new finance company that is being formed. The company is to be known as the Sterling Bond & Share Corporation, and will be in the nature of an investment trust, also dealing in stocks and bonds and underwriting reputable issues.

Associated with Mr. Townshend in the new venture will be F. E. Fox, president of Dominion Motors; John I. Stein, president of Commercial Finance; B. C. Parker, of Machray, Sharpe, Locke, Parker & Crawley, and W. M. Hurley, of W. M. Hurley & Co.

That the future of the sheep industry in Canada is assured and that it will pay very well the investments of those who go into it with even modest capital and moderate skill and knowledge were the views expressed unanimously by all experts gathered at the annual meeting of the Alberta Sheep Breeders' Association at Edmonton.

Oat husks or hulls, though generally regarded as waste product, can be utilized in the manufacture of such articles as radio panels, dyes, lacquers and photo-sensitive resins.

After a lengthy debate the United Farmers of Canada, Manitoba section, have unanimously approved of a resolution to amalgamate with the United Farmers of Manitoba.

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Insurance issued and revived 9,094,942.00
Assets - - - - - - - 5,650,118.55
Income - - - - - - - 1,425,311.69
Surplus funds (including capital paid up) - - - - 514,206.12
Paid to policyholders and beneficiaries in 1927 - - - 442,549.75
Paid and held for policyholders since 1899 - - - 9,272,639.00
Interest rate earned - - - 6.35%
(Copy of Complete Report for 1927 mailed on request)

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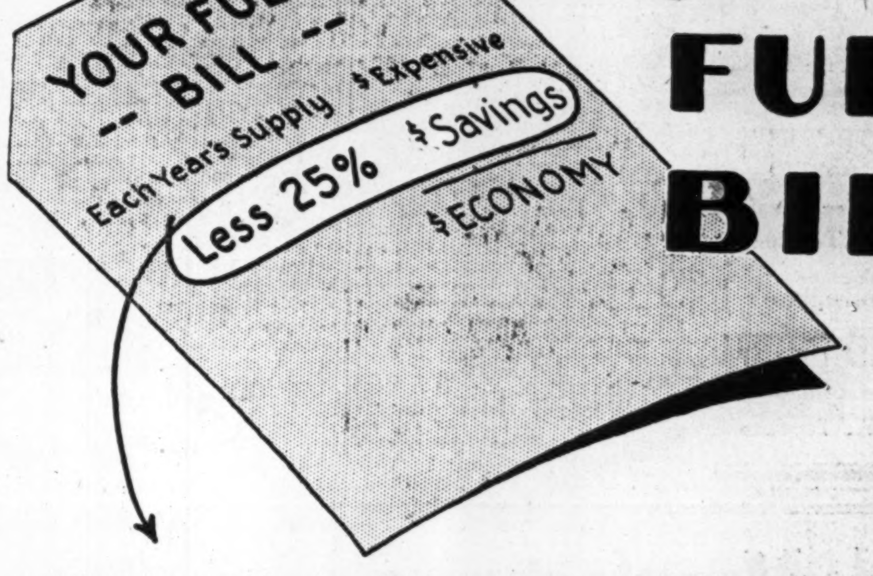

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In addition to cutting down fuel costs, this new Dunham Differential Vacuum Heating System gives greater satisfaction through better heat control. It gives adequate heat and no more at all times, and thus comfort under all weather conditions.

Many new building, factories, hotels, apartment houses, office structures, are now being equipped with the new Dunham Differential Vacuum Heating System.

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News of Investment Markets

PHOTO ENGRAVERS INCREASES PLANT TO FULFIL ORDERS

Additions Will be Made as Result of Larger Business

Extensive plant alterations and additions will be made by Photo Engravers and Electrotypers, Ltd., as a result of the larger volume of business now being handled.

Earnings for the present fiscal year are said to be considerably higher than for that ended February 28, 1927.

For the six months ended August 31, last, net earnings were $67,383, or at the annual rate of about $4.50 a share on the 30,000 shares of no-par stock now outstanding. The company has no bonds and no preferred stock so that all profits accrue to the benefit of the holders of the common stock.

The stock has been moderately strong on the Toronto Stock Exchange around 38. At this figure it would appear to be seling out of line with many other common stock issues. On a price basis of ten times earnings, a rule-of-thumb often used to gauge the price of industrial stocks, a price of $45, or better, would be indicated.

The company's business is one that reflects general prosperity quickly, and the increasing volume of publicity and advertising material being used by business houses, as well as the prosperous condition of newspaper advertising, is working out to the advantage of the company. Property adjoining the company's present premises has been purchased to provide for expansion and additional adjoining property is also held under option. It is understood that it is the intention to exercise this option.

CANADIAN GENERAL FORMS NEW TRUST

Company Will Operate Along Lines Followed by First Organization

Following up the recent flotation of the Canadian General Investment Trust, the organizers announce the creation of the Second Canadian General Investment Trust, Ltd., the stock of which is being offered in Vancouver by the Royal Financial Corp., and in other Western cities by different financial houses.

This trust will be operated along the lines being followed by the first organization, which have proved successful to date. Moreover, the second trust will have the advice and counsel of the board of directors of the Canadian General Investment Trust, through the management which is common to both companies.

Details of the issue follow:

$10,000,000
Second Canadian General Investment Trust, Ltd.

Capital—100,000 shares of a par value of $100 each.

Business—Similar in character to that of investment trust companies in Great Britain and to follow the lines already established in Canada by the Canadian General Investment Trust, Ltd.

Regulations and Restrictions — Certain regulations and restrictions on the investment of funds, which are destined to ensure the greatest measure of safety for its shareholders, have been included in the charter.

Dividend Policy—A dividend of one per cent. will be paid on the 15th of March, June, September and December. The first three will be interim in nature and the last final. It is anticipated that the initial quarterly dividend on the shares of the trust will be one per cent.

Management Expense—Fixed at one-half of one per cent. of the total resources of the trust as long as net earnings amount to five per cent. on its capital, plus a profit-sharing arrangement, which provides that after seven per cent. has been earned for the shareholders, the management shall participate to the extent of one-fifth of the excess profit earned.

Offer—Royal Financial Corp., Vancouver, at $100 per share.

ALDRED INVESTMENT OFFERS DEBENTURES

Another Investment Trust Appears on Financial Scene in Montreal

From Our Own Correspondent

MONTREAL.—Again another investment trust appears on the financial scene. This time it is the Aldred Investment Corporation which is making a public offering of its debentures.

The particulars of the issue follow:

$2,500,000, the Aldred Investment Corporation (Canada)

40 year debentures, series "A" 4½ per cent.

..Capitalization:

	Authorized	To be presently Outstanding
Debentures, series A	$20,000,000	$2,500,000
Pref. shares, par $100, 6% cumulative.. ..	$4,000,000	$500,000
Com. shares (no par value) ...	400,000 sh.	50,000 sh.

Half of the foregoing 25,000 common shares and all the preferred have been purchased by Aldred and Company at a price representing an investment of $625,000.

The Corporation: Will acquire, hold, sell, underwrite and generally deal in foreign and domestic government, municipal and corporation securities.

Security: The debentures are a floating charge on all the assets. No funded debt may be created. Further debentures may be issued only when the net resources of the corporation are equal to at least 125 per cent. of the total amount of debentures outstanding.

Offered: January, 1928, by Aldred and Company at 102 and accrued interest. The debentures carry a bonus of ten shares of common with each $1,000 debenture.

Tenders and By-laws

Feb. 6, Municipality of Ste. Therese de Blainville, P.Q.—$17,500, five per cent., serial debentures. A. Forget, sec.-treas.

Feb. 4, North Bay. — $114,429, five per cent., 10 and 20-year debentures. W. N. Snyder, clerk. (See announcement on page 21).

"Bargain Hunting" is Difficult Task

The big rise in the bond market in the past few months and its attendant decline in yields has made "bargain hunting" a difficult task. New issues brought out have been quickly taken up and frequently have immediately sold at a premium. The fundamental trend of bond yields is still downward and will probably continue to be downward for some time to come. Bonds are still a buy, not only for safety, but also for long-pull appreciation in value, if wisely chosen. The shrewd investor is now seeking for classes of bonds or individual issues which may have been neglected in the general rise.

CROWN TRUST'S EARNINGS RISE TO NEW FIGURE

Reserve Fund is Increased by Hundred Thousand

From Our Own Correspondent

MONTREAL.—For the year ending December 31 last, the profits of the Crown Trust Company stood at the highest level in the history of the company. The annual report shows an all round betterment. The following comparison of income figures over the past three years also shows that the $100,000 which the company received as a premium on new capital stock issued during the year was transferred to and increased the company's reserve fund by this figure.

	1927	1926	1925
Gross	$168,084	$154,707	$147,750
Exp.	101,129	99,013	91,568
Net earn.	$ 66,955	$ 55,693	$ 56,182
Div.	39,480	30,000	30,000
Bal.	$ 27,475	$ 25,693	$ 26,182
*Premium	100,000	......	......
Bal.	$127,475	$ 25,693	$ 26,182
Tax	5,596	5,393	......
†Written off ..	5,307	......	......
Bal.	$116,572	$ 20,300	$ 26,182
Prev. bal.	17,265	21,965	20,793
Total	$133,837	$ 42,265	$ 46,965
To. res.	100,000	25,000	25,000
P. & L. bal.	$33,837	$ 17,265	$ 21,965

*Of $20 per share paid on 5,000 shares new capital stock issued during year.
†Office premises account.

The company's balance sheet shows that total assets amount to $14,599,689—an increase of almost $3,000,000 during the year. Of this increase, $2,400,000 is due to the large increase in the funds which the company handles in trust. The remainder is due to the increase in the first mortgage and call loan outstanding.

In the liabilities, the chief changes were in the reserve fund which has been increased by $100,000 and in the capital stock outstanding which now amounts to $957,185 as against $500,000 a year ago.

DONNACONA PAPER MAKES BOND ISSUE

Offer to Yield About 5.55% on 20-Year Basis

Following its $4,000,000 debenture issue of last week, The Donnacona Paper Co. (recently acquired by Price Bros. & Co. and associates), has made an offering of $7,000,000 first mortgage bonds. These bonds are being offered by Royal Securities Corp. to yield about 5.55 per cent., and are dated Feb. 1, 1928 on a twenty-year basis.

The issue is part of a total authorized bond indebtedness amounting to $12,000,000, of which only $7,000,000 is at present outstanding in the form of the present issue which will be known as Series "A."

The details of the issue are as follows:

$7,000,000 Donnacona Paper Co., Ltd.

5½% First Mortgage Sinking Fund Bonds, Series "A," dated Feb. 1, 1928, due Feb. 1, 1948.

Capitalization	Author.	Outstand.
Bonds	$12,000,000	$7,000,000
Debentures	6,000,000	4,000,000
Common (no par value)	200,000 shs.	150,000 shs.

The Company: Newsprint mill with 230 daily capacity. Develops 11,000 h.p. from its power sites. Limits contain 5,400,000 cords of pulpwood.

Security: Secured by a first mortgage on all the company's properties, and by a floating charge on all other assets.

Value of Assets: Appraised value of property at Nov. 30, 1927, $15,624,000, which includes $1,624,000 of net current assets, and is equivalent to $2,232 per $1,000 bond.

Earnings: For the last three years ending Dec. 31, 1926, average annual earnings available for bond interest equalled 2.8 times annual requirements.

Ownership, etc.: Controlling interest in the company's shares, by a substantial cash payment, is held by Price Bros. & Co., and associates.

Offered: January, 1928, by Royal Securities Corporation, at 99½, to yield about 5.55 per cent.

Vancouver Business Men Buy Northern Light Group

VANCOUVER. — Northern Light group, between the Woodbine Mines and Bust Consolidated south holdings in Portland Canal area, British Columbia has been purchased by Vancouver business men at a price said to be $400,000. An offering of shares to provide preliminary development funds share per year as against $7 now.

COMPANY NEEDED TO HANDLE GOODS OF SPRUCOLITE

Financial Offers Are Made Already by Three Canadian Houses

Ararngements are under way whereby it is proposed to establish a Canadian company to handle the products of the Sprucolite Corp., which include compressed spruce pulleys, wheels, rolls, etc. Offers have already been made by three Canadian houses toward arranging for the necessary finances.

Sprucolite Corp. have sold recently all foreign rights to the use of patents owned by them to an English syndicate, which in turn has formed the International Sprucolite Corp.

Of the 25,000 series "A" shares authorized and outstanding, 2,500 were offered in Canada by W. R. McCoo & Co., Toronto, at a price of $25 a share.

The customers of Sprucolite Corp. are among the largest industrial organizations in the United States. They include General Electric, Ford Motor, Carborundum Co., American Radiator, American Locomotive, Edison Storage Battery, Crocker-Wheeler Electric, Graybar Electric and Sears-Roebuck.

Recently arrangements were made with the Belting and Leather Association, of New York City, for foreign representation. This group are distributors of some of the largest belting manufacturers in the States.

NESBITT THOMSON FORM PAPER TRUST

Company Will Control Bathurst and Other Similar Concerns

From Our Own Correspondent

MONTREAL.—Nesbitt, Thomson & Company have formed an investment company to purchase the securities of power, public utility and pulp and paper companies. The new company, known as the Canadian Power and Paper Investments Limited, will own a substantial interest in the Bathurst Power and Paper Company which recently was acquired from its original owners by Nesbitt, Thomson & Company interests. The new investment company is being financed by the sale of an issue of debentures, particulars of which follow:

$2,500,000, Canadian Power and Paper Investments, Limited.

5 per cent., thirty year debentures. Dated February 1, 1928. Due February 1, 1958.

Capitalization:

	Authorized	Issued
5% debentures....	....	$2,500,000
6% convertible pref. ($50)	$1,250,000	1,250,000
Common stock (N.P.V.)	100,000 sh.	75,000 sh.

Business: Will acquire securities of power, public utility and paper companies. Funds may be invested temporarily in other securities.

Assets: Will include substantial holdings in the Bathurst Power and Paper Company and will total more than $4,000,000 at present market prices.

Earnings: Earnings from assets already acquired are more than sufficient to meet the interest on the present issue. With the expansion of the company earnings should increase.

Further issues: The company can issue no securities ranking senior to the present issue. Further debentures can only be issued under restrictions.

Offered: January, 1928, at par, by Nesbitt, Thomson and Company. Each $1,000 debenture carries a bonus of 10 shares of common stock.

More Looms Are Installed for Canadian Celanese

DRUMMONDVILLE, Que.—The management of Canadian Celanese, Limited, announce that eighty looms are in full production and additional looms are being installed. From the sales point of view the new company's business is stated to be working out in a very satisfactory way and the fabrics produced are proving popular as the mill is turning out high grade products. A new fabric known as Marocain is being produced and orders have been received in a few days, owing to the exceptional demand, for about one thousand pieces.

This Week's Bond Sales

MANITOBA DRAINAGE DISTRICT

An issue of $45,000 Province of Manitoba, 4½ per cent., Drainage District bonds, guaranteed unconditionally by the province, and due 1957, has been sold to Oldfield, Kirby & Gardiner, and Mead & Co., the price paid being 96.90.

TEMISKAMING & N. ONTARIO

The Temiskaming and Northern Ontario Railway Commission has sold to Dominion Securities Corp. and Dillon, Read & Co. $6,000,000, four per cent. instalment debentures maturing 1939 to 1968, guaranteed as to principal and interest by endorsement by the Province of Ontario, payable in New York and Canada.

The purchase price was 96.6329. Toronto payment and delivery. The cost to the commission is 4.21 per cent. This represents the best price which has been obtained since the war for any direct obligation of the province or for any obligation guaranteed by the Province of Ontario. The bids were:

Dominion Securities Corp., Dillon, Read & Co.	96.6329
Wood, Gundy & Co.; Royal Bank of Canada	96.40
A. E. Ames & Co., and Bank of Nova Scotia	95.733
Bank of Commerce, Bell, Gouinlock & Co., Fry, Mills, Spence & Co.; Cochrane, Hay & Co.....	95.60
Bank of Montreal, First National Bank of New York, Lee, Higginson & Co., Kerr, Flemming & Co., McLeod, Young, Weir & Co., Hanson Bros.	95.427
R. A. Daly & Co., Blair & Co., Equitable Trust Co., Halsey, Stuart & Co., Chase Securities Corp., Illinois Merchants' Trust Co., Continental National Co., First Trust & Savings Bank, Royal Securities Corp., Shawmut Corp. of Boston, The Atlantic-Merrill-Oldham Corp. of Boston, Wells-Dickey Co.	92.765

NEW ISSUE IS MADE BY ORANGE CRUSH

Carries Bonus of Three Shares Common for Ten Preferred.

A new issue of $650,000 Orange Crush Ltd., 7 per cent. first preference shares, carrying a bonus of 3 shares no par value common stock with each 10 shares of preferred has been placed on the market by a syndicate headed by Gairdner & Co.

The property which the new company takes over consists of all the undertakings and assets of the old Orange Crush Co., including the issued stock of the Latin-American Orange Crush Co., Havana; the majority of the issued stock in the Buckingham Ginger Ale Co., Ltd., and the Icy-Orange Co., Ltd. Physical property includes modernly-equipped manufacturing and bottling plants in Toronto and Havana, and bottling plants in Hamilton and London.

The business acquired by the present company has shown a steady increase in turnover and profits during the past years. With the extensive advertising campaign to be carried out and the company's aggressive sales force now organized, it is expected that both turnover and profits will show substantial increases in the future.

Particulars of the issue follow:

$650,000
Orange Crush, Ltd.
First Preference Shares

Capital—

	Authorized	To be Issued
First preference stock (this issue)	$650,000	$650,000
Second preference stock without nominal or par value	40,000 (shares)	40,000 (shares)
Common stock without nominal or par value..	186,000 (shares)	80,000 (shares)

Property—Take over plants located in Toronto and Havana, Cuba, and bottling plants in Hamilton and London, including land, buildings, machinery, etc.

Business—Manufacturers and distributors of nationally known soft drinks, advertised under the name of "Ward." Also produce in concentrate and bottled form, fountain syrup and ice cream flavoring compounds. Over eighty-five plants in Canada are now bottling and distributing "Orange Crush" under franchise from Orange Crush, Ltd.

Assets—After giving effect to present financing totalled $1,130,000 (after making provision for all current liabliities).

Earnings — Consolidated net income of Orange Crush, Ltd., old company, and its subsidiaries for the year ended December 31, 1927, after providing for depreciation and income tax, amounted to $210,472, or 4⅝ times the first preference dividend requirements.

Conversion — At holder's option up to January 1, 1933, at the rate of four common shares for each first preference share. The right to convert is exercisable notwithstanding that the shares have been called for redemption.

Management—There will be no change.

Listing—Application will be made to list preferred and common shares on Toronto Stock Exchange.

Offer—Gairdner and Co., at 100 and accrued dividend, with a bonus of three shares of common stock for every ten shares of preferred stock. Fractional adjustments of common stock will be made at $15 a share.

BROMPTON PULP AND PAPER

MONTREAL.—It is said that when the annual report of the Brompton Pulp and Paper Company makes its appearance it will show earnings on the common shares of about $5 a share. During the year just concluded, the company disposed of its Groveton, N.H. plant, which for years was a millstone round its neck, hanging very heavily on the earning power of the company.

National Breweries to Retire All Outstanding Bonds

From Our Own Correspondent

MONTREAL.—The National Breweries is retiring at 105 in July next, all its outstanding bonds. The redemption of the bonds is one of the factors which has been responsible for the steady strengthening of the shares of the company. The 1926 balance sheet of National Breweries showed that it had outstanding only one issue of bonds amounting to $1,082,500. Interest charges in that year amounted to $65,475. By retiring the issue, the company will reduce materially the deductions from its income account each year, and, moreover, will reduce substantially the annual drain on its working capital through the operations of the sinking fund of the bond issue. The trust deed covering the issue calls for the annual redemption of $80,000 of the bonds.

The National Breweries has just passed through a year of increased earnings, and as its total working capital amounted to more than $2,200,000 at the end of 1926, the bonds can be redeemed entirely from liquid resources.

Ranking ahead of the 180,000 odd common shares of no par value there is an issue of 7 per cent. accumulative, preferred stock amounting to $2,775,000, on which the annual interest requirements are $194,250. This compares with dividend disbursements on the common last year of $721,314.

CALGARY OIL STOCKS

Close of Calgary oil stocks as received by E. A. Pierce & Co., Toronto, Jan. 24, were: Dalhousie, 143; Alta. Pac., 19¼; McLeod, 168; Mill City, 23; Royalite, 30; Turner, 26.

WEEKLY RECORD OF FINANCING IN CANADA

SALES BY MUNICIPALITIES, PROVINCES AND DOMINION GOVERNMENTS

Place	Date Sold	—Sold To—	Rate	Maturity	Amount	Price	Cost Basis
		Municipal					
Grand' Mere	Jan.	Dominion Securities Corp.	5%	30-ser.	$36,000	100.52	4.96
		Provincial					
Manitoba Drainage District .	Jan.	Mead & Co., and Oldfield, Kirby & Gardiner	4½%	1957	$45,000	96.90	...

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues	Date Issued	Offered by	Rate	Due	Amount	Price	Yield
Temiskaming & No. Ont. Rly.	Jan.	Dom. Securit. Corp. and Dillon, Read & Co.	4%	1939-68	$6,000,000	96.63	4.21
Canadian Salt Co.	Jan.	Royal Securities Corp.	5½%	1946	1,000,000	102	5.32
Donnacona Paper Co.	Jan.	Royal Securities Corp.	5½%	1948	7,000,000	9½	5.55
Aldred Investment Corp.	Jan.	Aldred & Co.	4½%	1968	2,500,000	102	...
Can. Power & Paper Invest. .	Jan.	Nesbitt, Thomson & Co.	5%	1958	2,500,000	100	5%
Stock Issues—							
Dom. Distillers Cons.	Jan.	Dom. Distillers Cons. Sales Co.	Com.	....	125,000 shs.	$12	...
Second Can. Gen. Investment Trust	Jan	....	....	....	$10,000,000	100	...
Sprucolite Corp.	Jan.	W. R. McCoo & Co.	No Par.		2,500 shs.	25	...
Mickelson Battery Mfg.	Jan.	....	8%	Pref.	2,500 shs.	...	...
Orange Crush	Jan.	Gairdner & Co.	7%	Pref.	$6,500,000	100	7%
		(With bonus of 3 shs.	no par common with each 10 shs. of pref.)				
M. & P. Stores	Jan.	R. A. Daly & Co.	7%	Pref.	$200,000	100	...

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United Kingdom, 21s.

Published by
THE MACLEAN PUBLISHING CO., LIMITED
143-153 University Ave., Toronto, 2

MONTREAL, Southam Building, Murray R. Chipman, Eastern Manager; Rielle Thomson, Eastern Editor. WINNIPEG, 810 Confederation Life Bldg. NEW YORK, 556 Graybar Bldg., 420 Lexington Ave. CHICAGO, Room 1903, 360 N. Michigan Blvd. GREAT BRITAIN—London, The MacLean Co. of Great Britain, Ltd., 65-66 Chancery Lane, W.C. 2, E. J. Dodd, Director.

TORONTO, JANUARY 27, 1928

BOYS FOR CANADA

THE Boy Immigration scheme, after fluttering for many months between success and failure, seems now assured a permanent place among the settlement policies of the immigration department.

About one year ago, Hon. Robert Forke, minister of immigration, entered into an agreement with the British government whereby it was proposed jointly to spend $5,000,000 over a period of ten years, in recoverable advances to assist British boys to take up farming in Canada. The purpose is to obtain boys between the age of 14 and 20 years, bring them to Canada, place them on a provincial farm for tuition and, when qualified, to assist them up to $2,500 in purchasing a farm and equipment.

The provinces were to co-operate by providing training farms, and undertaking to assist in placing the boy at work with farmers, and, eventually, in selecting a farm for him. Hitherto, the provinces have not been eager to enter into the scheme, but with the adhesion of Manitoba in the last few days, the development of the scheme is now certain. So far, Ontario, Nova Scotia, New Brunswick, Manitoba, and, possibly, Saskatchewan, have agreed to co-operate. Ontario will take several hundred of these boys this year; Manitoba, 50; and the other provinces about 100 between them.

In Ottawa, much is expected of this scheme for the reason that there are about 500,000 boys turned out of the schools of Britain each year, who seek a place in industry. These boys are splendid raw material, and, if trained over a period of two or three years, should make successful farmers. The expenses of the scheme are divided as follows:—The cost of bringing the boys out is borne jointly by the Canadian and British governments. Tuition on provincial farms and placement at work for Canadian farmers, is paid for by the three governments, in the ratio of British government one half; Dominion and provincial governments one-quarter each. The boys will hire out more or less as wards of the province and the provincial governments will see they get fair wages. It is thought that $120 per year would be adequate. When the boy reaches the age of 21, he should have saved $500 and, if so, the British and Dominion governments will assist him up to $2,500 in buying and equipping a farm. All outlays on the boys are to be repaid over a period of years.

In this manner many good citizens are being made for Canada.

OF VALUE TO US

VARIED and interesting are the ways in which Great Britain is creating in the minds and buying habits of British people a voluntary preference for Empire products, including those of Canada. A gigantic agency for promoting trading within the Empire exists in the Empire Marketing Board; the government of Britain has not been niggardly in placing at the disposal of this board ample funds with which to set up effective machinery and keep it functioning. A million pounds a year will go a long way even in Britain, and the expenditure of this sum of money, voluntarily by the British people, cannot but react favorably to Canadian producers.

The money is not being spent solely on advertising; poster and press advertising is only one feature of the work.

Roughly, the million pounds expenditure will be divided three ways; one-third to advertising and other publicity; one-third for research work and one-third for exhibitions and demonstrations.

The advertising work has largely consisted of plastering Britain's hoardings and tube stations with posters of an educational nature, designed to create an Empire consciousness and to foster among Britishers preference for goods produced in the Empire. The newspaper and magazine campaign has not been fully organized but will be on a large scale when it gets going. Individual products are not advertised. That is the duty of the separate producer or association of producers. The board tills the soil; the producer, by his own salesmanship, can reap the crop. In this respect, Canada has already arranged to give our producers an opportunity to benefit from the educational propaganda that has been carried on. The federal government has appropriated $100,000 to assist associations of Canadian producers in advertising their products in the British Isles.

Fairs, demonstrations, etc., are also an important part of the Empire Marketing Board's work and a great deal has already been accomplished in this field. Many of these achievements were told to The Financial Post by G. Huxley, secretary for publicity for the board, who has been touring Canada with Mr. Amery, the latter being chairman of the Empire Marketing Board. Empire shopping weeks have been carefully planned and staged in different centres. Government departments have arranged to give preference, subject of course, to virtual equality of price, to Empire products. Store window campaigns have been arranged, during which practically every shop window in one or more communities, have shown Empire goods. Exhibits have been displayed at all the big commercial fairs. Geography lessons, featuring the Empire and its products, are being given in 15,000 schools. Every large buyer,—contractor, hospital, institution, etc.—has been canvassed to favor Empire goods. Cooking demonstrations utilizing Empire foodstuffs have been held. At one fair, $5,000 was spent on Canadian apples, of the McIntosh Red variety, and every visitor to the fair received a sample of this delicious Canadian fruit. Not a single one of these steps has cost Canada a cent. The work is a voluntary gift by the British people to Canada and other constituent parts of the Empire, first to repay Canada and certain of the other Dominions for the fiscal preferences granted to Britain, and secondly, to encourage an Imperial manner of thinking on economic questions.

In the field of research, attention is being directed to solving production problems everywhere in the Empire. The policy of the board is to make grants for research work wherever the work is of more than local interest and where half the sum to be spent is provided locally. For instance, a certain important work in poultry research at the Ontario Agricultural College, Guelph, is being financed to the extent of one-half by the Empire Marketing Board. Research will also touch the fields of distribution, grading, marketing, etc.

Canada will reap the benefit of this exceedingly important work in the degree that it plants and maintains its co-operation. For a while Canada declined even to provide the Empire Marketing Board with products to display and it had not appropriation with which to encourage groups of Canadian producers to advertise co-operatively in the British Isles. Happily, the situation seems to have changed and we may expect more direct and whole-hearted cooperation with the board from this side of the Atlantic. The results cannot but be favorable to Canada.

FRIENDSHIP NOT ENOUGH

F. C. T. O'HARA, deputy minister of trade and commerce, says that business in South America is done on friendship. "A commercial traveler cannot make a call with his samples on any particular firm and be certain of receiving an order for goods," he told Hamilton exporters. But Mr. O'Hara ought to realize that this applies to Canada. Real salesmanship is required on the part of the commercial traveler if he is to be successful. It makes no difference whether he is selling in Canada or South America. And real salesmanship backed by good products at the right price will conquer over mere friendship in any country. Men who have toted a salesman's grip at home and abroad can tell Mr. O'Hara that friendship and an exhibition of samples are only part of selling.

STOP A RATE-WAR

AT THE present moment, life insurance rates in Canada are in a state of flux.

Since the announcement in The Financial Post regarding new low-cost life insurance rates, some half-dozen companies have withheld their premium programs for 1928, and at least three of these are known to be preparing policies along the lines of the one outlined and discussed in The Post.

The general opinion among actuaries—even in some of the companies who are adopting the low rates—is that this new rate has cut the cost of life insurance to the core.

In other words, signs are not lacking that the life insurance business is sooner or later heading for a rate war in premium prices. Fortunately this has not yet reached a danger point, but once the thing starts, there is no telling where it will stop.

For a business that last year collected something like $170,000,000 in premiums from the Canadian public, such a thing as a rate war is to be deplored. It would tend immediately to destroy the confidence of the Canadian public.

What then is the solution?

The Financial Post has discussed this question with a score or more of insurance executives in various parts of the country, and it has come to the conclusion that there is everything to be gained if the executives or actuaries of the companies get together and formulate a general premium plan on participating policies which while substantially lower than the existing level of rates, might be somewhat higher than the low rate on the special ordinary life policy which has caused so much discussion in the past few weeks.

Very few will deny that the present premium rates generally in force on participating policies in Canada, are overloaded purely for the purpose of paying high dividends. If this were not the case, how could companies afford to pay a 25 per cent. dividend, twelve months after the policy has been written. The Financial Post believes that business men are beginning to realize that they are receiving these high premiums only because they have been overcharged in the first place, and having realized this, that they will turn more and more to low-cost plans.

It is common knowledge among life insurance men that a virtual agreement for the reduction of participating rates was reached two or three years ago, so that actuarially there is no doubt whatever as to the feasibility of a general reduction on all participating plans. The companies will therefore have only themselves to blame if they allow competitive rate cutting to affect the present high position which the life insurance business holds in Canada.

PROVINCIAL TAX BURDEN

BRITISH COLUMBIA is shortly to fight an election and one of the issues will be that of taxation. The Conservative Opposition, in their campaign arguments, intend to make much of the rapid increase in the debt and tax burden of the province.

Dr. J. D. MacLean, the prime minister, is expected to make some efforts towards tax reduction at the next session of the legislature. But business men on the coast question if any reduction will offset the increased taxation that will follow as from March next through the coming into force of a tax on profits made in the sale of capital assets. The purpose of the tax is to bring into the provincial treasury a portion of the profits made by those who develop the province's natural resources.

The problem of rising taxation is not confined to British Columbia. Most of the provinces and cities of Canada are showing largely increased per capita expenditures. Tax reduction must be three-fold, applying to federal, provincial and local governments, if its full benefit is to be enjoyed. Reduction of federal taxes alone is not enough.

COME ON

A PAPER such as The Financial Post can unfortunately achieve little by warning its readers of the deluge of tipping sheets which have made their appearance in the last year or two. Readers of this paper are wise enough to make no financial commitments without first obtaining an opinion from some unbiased source such, as a reliable paper or some friend with a knowledge of the situation surrounding any security.

The tactics employed by most of these tipping sheets is to circularize their unsuspecting readers, recommending stocks such as International Nickel, Laurentide, National Breweries or Shawinigan. Then suddenly, when these stocks have appreciated on the market, they turn their attention to some out-and-out gamble or speculation, or to some mining security which has not even the merit of being a gamble and go the length of calling up their subscribers, advising the purchase of the stock. The tipping sheet has an interest in the sale of such worthless securities.

The latest activities of the Stock Exchange Mirror include circularizing many of its fortunate non-subscribers and advising them that if they are wise enough to subscribe to the Stock Exchange Mirror, the editor of that remarkable sheet will advise them of a stock which is to go up twenty points. If any financial writer could pick individual stocks which would show an immediate appreciation, he would be working for other interests than the Stock Exchange Mirror.

All any reputable financial writer can, or will do, is to point out individual securities which look promising for a long hold, or to point out a group of securities which would average the holder an appreciation over a term of years.

EDITORIAL NOTES

"YOU WOULD know a Canadian anywhere," says Sir Robert Falconer. Not in the census reports.

* * *

QUEBEC CHEERED for Bennett, but to use Laurier's question, will it vote for Bennett? Quebec cheered for Meighen in the last election and voted for King.

* * *

THE OTTAWA cabinet minister who reaches his office each morning before his secretary arrives happens to be one of the ministers whose department is dynamic and efficient.

* * *

BY ALL MEANS, let us prevent Niagara Falls from committing suicide. The cost of remedial works, as proposed by the special International Niagara Board is less than laymen would have expected.

* * *

THE SENATOR Moses who is attacking the St. Lawrence Waterway in the American Congress is the same man who wanted to retaliate against Canada if the country put further embargoes on the export of pulpwood.

* * *

BANQUETS are easy to arrange and it was not surprising that a number of Montreal citizens allowed themselves to be temporarily used for an affair in honor of Bernarr McFadden, filth-publisher, of New York. Fortunately, they withdrew before the affair came off. But the Toronto Canadian Club staged its largest luncheon for George McManus, comic strip artist, who spent the time telling questionable stories. And a man who was then president of one of Canada's largest banks moved the vote of thanks. It would not be very difficult to arrange a very substantial demonstration for William Randolph Hearst, if he came to Canada. One touch of newspaper criticism, however, would bring the whole arrangement tumbling down. When William Jennings Bryan came to Toronto he was greeted, as indeed he should have been, despite the narrowness of his views on many questions, by the city's leading citizens. But two newspapers criticized his visit and when he tried to speak in Massey Hall he was howled down. Public men who take pride in their honor and dignity should not permit themselves to become the unpaid claque of publicity-seeking foes of common decency.

FOLKS and Finance

TO THE terrors of after-dinner speaking has been added a new and most Mephistophelian instrument, wonderful but perilous — the radio.

It is no terror, of course, to the radio fan who, if he does not care for an after-dinner speech, can turn it off with a twist of the wrist, thereby having a great advantage over the old-fashioned or possibly conscientious man who turns out to dinner meetings to receive the broadcast direct.

But as for the speaker—let him beware.

The Rt. Hon. Lieut. Col. L.C.M.S. Amery, K. C., is one of the Empire's foremost diplomats and probably he was never in any real danger, anyway, but his experience in Vancouver will serve to illustrate the point.

He addressed two public gatherings in Vancouver, one a dinner at night under the auspices of the Vancouver Board of Trade and the other a luncheon the following day tendered by the Canadian Club of the Coast City. The Board of Trade speech was put on the air.

According to schedule, Col. Amery should have started speaking at 8.15. The radio man received his instructions to begin broadcasting at that time. He did. The key was turned promptly at 8.15.

And so, from 8.15 until 8.25 the low-voiced conversation of Col. Amery with Robert McKee, president of the Vancouver Board of Trade, went out on etheric waves endlessly to be amplified and heard clearly by many members of the radio audience in and near Vancouver. Just what is the etiquette of such a situation? It was a public broadcast of a private conversation. Could the radio fan who listened in be considered guilty of eavesdropping? Standard books of etiquette ante-date the radio and offer no counsel on this rather nice point.

It was a casual sort of conversation. But there was many a chuckle when the following words were made audible by loud-speakers:

"What line had I better take tonight, Mr. McKee? Do you think I should wave the flag?"

"No, you'd better save that for the Canadian Club to-morrow. Just give them a straight talk on the economics of trading within the Empire."

POST-scripts

PRINCE RUPERT, B.C., we observe, claims to have had 1,174 hours sunshine in 1927 which was quite a considerable increase from the 1926 record of 740 hours of sunshine. We congratulate Prince Rupert on the improvement during the year but a 1,000 hours of sunshine more or less is not a lot for a whole year. Almost any place in Canada could beat that record. Down in Southern Alberta and Southern Saskatchewan, lots of places average well over 2,000 hours of sunshine every year and even in Eastern Canada 2,000 hours of sunshine is about the average.

Prince Rupert had 88 inches of rain during the year. It takes a long time for 88 inches of rain to fall and if some of it had not fallen at night the day-time hours might not have been sunny at all. The most rain that ever fell in Toronto in one year was less than 40 inches; Winnipeg's record is less than 30 inches; Montreal just over 50 inches. We just offer these in comparison in order that people may visualize what 88 inches of rainfall looks like.

If we carry on with these comparisons any longer we are going to have the good citizens of Prince Rupert passing resolutions about us so we sign off.

Other People's Views

Food for Bonfire

St. Catharines Standard.—The Financial Post describes the book of political memoirs, written by W. T. R. Preston, as "Muck." Having read about six chapters of his work, in which Sir John Macdonald was pictured as an "arch intriguer," with various other aspersions thrown in, The Standard reviewer felt like throwing the book at the household cat. Whether it is worth while to finish the business and read W. T. R. Preston through to the finish is a doubtful matter. There is reason to believe, on the part of the reviewer, that the time might be better spent. If the Public Library Board of St. Catharines buys this book, then there ought to be a Big Bill Thompson bonfire at the library some fine evening.

Public Ownership Dying

La Presse, Montreal—The Financial Post, of Toronto, declares: "Public ownership is not dead in Canada, but it is dying."

For some time past we have noticed a very marked veering of the wind of public sentiment. On several recent occasions, public sentiment has manifested its preference for private enterprise and has been freed from its former prejudice. There is nothing surprising about that, since it is the repetition of what we have found nearly everywhere else, beginning with countries which, like Germany and Great Britain, were the first to sacrifice themselves to this mirage. In the province of Quebec, where, fortunately, neither the government nor public opinion has fallen into the snare, we have long been the butt of sarcasm and persiflage on the part of the Socialistic school which triumphed in Toronto and Winnipeg and succeed in converting their fellow-citizens to this mirage, whose insidious allure is in reality the ante-chamber of the Socialist spider's web, where all who fall into the trap are robbed of initiative, liberty and personality. Apparently the day is coming when public opinion will acknowledge the wisdom of Quebec's attitude.

Lesson For Uncle Sam

Commerce and Finance, New York—One might imagine that an available test of the wisdom and practical workings of a law would be found in the experience of states or countries that have tried similar laws. Yet we have the United States on one side of the border and the Canadian states on the other, both with some years' experience of quite different statutes relating to the sale of alcoholic liquors, and apparently neither country can learn from the experience of the other.

Canada and the United States should afford an exceptionally favorable opportunity for the comparative study of legislation. The Canadians face the world under conditions remarkably like ours. They are for the most part an English-speaking people; they are predominatingly of the English race, and most of their law, language, customs, religion and general attitude of life reflect an English inheritance. Both countries are thoroughly used to self-government, and both have developed and expanded by the progressive advance of their frontier. Both have determined to meet the problem of the saloon.

In meeting it the Canadians have retained the great advantage of discarding at the outset the cock-sure certitude that they had an infallible remedy. They have left their enactments somewhat flexible, that they might learn by observation and experience how they worked, retaining something of a free hand wherewith to moderate the treatment or mould and improve the remedy should it develop evils or weakness.

We, on the other hand, swallowed the whole bottle of medicine at a gulp and threw everything else out of the window. We must endure the consequences, good or bad, and our house is constructed in such a fashion that it is practically impossible to get outside and find again the things we threw away.

Collects Income Tax

CHESTER S. WALTERS,
Commissioner of Income Tax and Member of the Board of Customs.

As Others See Us

U.S. and the Empire

The Bache Review, New York.—Canada is becoming a great and prosperous nation, and is working for economic ascendancy of the British Empire.

Britain has organized an Imperial Marketing Board which is to receive $5,000,000 annually for developing trade between the different parts of the British Empire.

As the largest customer of the United States, the British Empire has 44 per cent. of our total exports going to different units of the Empire.

This, Dr. Julias Klein, director of Foreign & Domestic Commerce, considers a move of great interest to us on the presumable ground that if the Empire so concentrates its trade among its own units, our exports will decline.

The Financial Post of Canada (Toronto), however, takes a different view. It submits that the development of the British Empire is the best development that could happen to the United States and that the Empire with its 450,000,000 possible customers, is the greatest probable market for United States investors and producers. It says:

"Through the establishment of subsidiaries of their various industries in Canada, in Australia and in England, the United States will have the full benefit of the great British Empire trade. They have already invested hundreds of millions in Canada, and if our European competitors do not prevent the development of Empire Trade, the United States investments in Canada will be figured in billions.

"United States commerce, which includes finance, shipping, insurance, and so on, will be inolved in this great development.

"This is not all the benefit that will accrue to United States commerce and industry. Canada is their best customer to-day. With a greater population in Canada and more money to spend, tremendously increasing amounts will go direct to the United States.

"Even this is not all. The community of commercial interests between the Empire and the United States will develop a moral unity which will mean more for the peace of the world than all the work of theorists, uplifters and job-seekers of Geneva and of the European nations and their interested advocates on this side."

In the Mail

Waterford Claims "Lindy"

Editor, The Financial Post:

I noticed that you carried an article on your front page regarding the naming of Lindbergh Field at Ottawa. In this article you describe this noted hero as a foreignor.

Not many miles (six miles) from where this is written here in Norfolk County, is the farm of Lindbergh's grandfather, as is also the home of Edison's parents, of Egerson Ryerson (father of our public school system), of our present Minister of Agriculture and many others of distinction. Near by is the home of Dr. Alexander Graham Bell.

Perhaps many Canadians do not know of these things, for we usually let our neighbor do the advertising. I think it is only a mark of respect to one of our own men, whose descendant displays the well known Canadian qualities of initiative, hardihood and capacity. The pity of it is, that these things will probably be lost sight of at Lindbergh Field, as commonly happens.

It is too bad that Canadians do not hear more about their own country, and what she has contributed to the world, and very few probably know of this.

G. B. YORK.

Waterford, Ont., Jan. 20, 1928.

Income and Excise Taxes Now Collected Efficiently by Re-organized Branches

By FLOYD S. CHALMERS

Last April there were 92 out of the 149 tax collection points in Canada where there were sales tax collections in arrears. Now 120 of the points have an absolutely clean sheet as regards current sales tax arrears. The government is enforcing a more uniform and effective collection of the sales tax. In this respect, Mr. Euler is implementing the promise he made in the House of Commons last spring at the time when the scandalous laxity in the collection of the sales tax was aired in The Financial Post. Mr. Euler then said: "I can promise you that there will be no further accretion of arrears in the sales tax."

The difficulty before was that there were no teeth in the sales tax legislation. If a firm, through dishonesty, laziness or sharp dealing, decided not to pay the government the sales tax it had collected from its customers the government could not do very much about it except take action in the civil courts. Before the money could be collected, the firm might have gone out of business. In fact, hundreds of firms failed owing sales tax to the government, and as the government ranked only as an ordinary creditor, it lost large sums of money when any of these firms were unable to meet their debts in full.

Substantial penalties were put in the Sales Tax Act and provision was made for the prompt filing of returns and payment of taxes. These changes have materially altered the situation.

The government has not yet collected all the money that is represented by sales tax arrears that accumulated before the new legislation came into force. In the case of those companies that are not in good financial condition considerable tact and generosity has been shown by officials. It is not the desire of the government to throw any firm into liquidation to collect sales tax arrears. The government having allowed the arrears to accumulate and thus having been a party to the delay is now attempting to collect them with the least degree of persecution compatible with firmness.

Large Sums in Courts

A large portion of the arrears represent sums that are definitely in dispute and in some cases in the courts. The amount involved in the current litigation with the distillers is about two and a half million dollars. The government cannot collect the money without winning a court decision.

Apart from the disputed and other special items, the miscellaneous sales tax arrears amounted to $2,262,000 at April 20 last. This figure has been reduced to $1,060,000. There were 1,475 firms in arrears then and 1,246 are now in arrears.

Appoint Sixty Auditors

Evasion of the sales tax is being reduced to the minimum by the practice of having a continuous audit of the books of all firms liable to payment of the tax. To enable this to be done, twenty auditors have been added to the former staff of thirty auditors. Another ten are to be appointed. This will give the department a staff of sixty auditors for sales tax work, who will be able to prevent dishonest firms from benefitting at the expense of those who pay the sales tax that is due from them. These auditors are selected, non-politically, by the Civil Service Commission and most of them have had the full training of a C.A.

The sales tax is of course only one of the taxes collected by the excise branch, but it is, of course, the one that has required the most attention in the way of reorganizing collection systems. It is in the improvement of the sales tax administration that the greatest advantages have come through the establishment of an excise branch of the department of national revenue.

Excise taxes collected in the last nine months of 1926 were $79,739,475, and in the last nine months of 1927 $69,672,637. The decrease of $10,313,921 was due to the reduction in the sales tax rate and elimination of certain nuisance taxes.

New Commissioner of Customs

The Commissioner of Excise is George W. Taylor.

When it was decided to decentralize the department of national revenue and divide it into three administrative branches, the income tax branch was taken away from the department of finance and established anew as a branch of the new department of national revenue. The income tax commissioner had been R. W. Breadner, and when Mr. Breadner was made commissioner of customs the department went to Hamilton and selected Chester S. Walters, inspector of taxation, for that district, as the new commissioner of income tax. In Ottawa, opinion is just about unanimous that Mr. Walters has made an excellent job of reorganizing income tax collection. His job had not been as difficult as those of Mr. Breadner and Mr. Taylor. It is generally conceded that Mr. Breadner had previously kept the income tax collection work on a high plane and no such inefficiency developed as had festered in the old customs and excise department.

Income tax collections have shown a tendency to increase despite the reduced rates that have been introduced in successive budgets. One reason for the increase is the fact that investors with a large income from dividends pay increased rather than decreased taxes; another is the fact that there has been greater prosperity in the country; a third is that low rates of income taxation usually lead to larger gross revenues due to the encouragement they give to enterprise. But to these reasons must be added still a fourth, one of considerable significance; namely that Mr. Walters has brought greater efficiency to his branch.

Excise Chief

GEO. W. TAYLOR.
Commissioner of Excise and Member of the Board of Customs.

Income tax revenues in the last nine months of the calendar year 1926 amounted to $45,700,000, and in the similar period to December 31 last to $53,100,000, a clear gain to the national treasury of $7,400,000.

In most of its aspects the Department of National Revenue presents a picture of a government department entirely overhauled and now running smoothly under a chief who is essentially the business executive, Hon. W. D. Euler.

Comments

Remarkable Remarks by Interesting People

Henry T. Hunt, representing Pullman porters: "The system of having the largest share of a porter's income paid by the public in the form of tips is unsocial."

Anthony J. McMillan, British writer: "Canada is going ahead rapidly, and there is a general feeling of optimism among the people, though, fortunately, there is no boom."

J. S. McGowan, western manager of C.N.R. colonization department: "In bringing European settlers to Canada we are getting the cream of the peasant stock."

George Deighton, charged with murder in Toronto: "Let's get it over with. Take me out in the yard and hang me."

Dean D. L. Ritchie, of the United Theological College, Montreal: "Nationalism has its diseases, like the measles in children, and when it becomes assertive, egotistic, swaggering, it becomes a peril to the world and destructive of brotherhood."

Sir Henry Thornton: "The last six months have been an open season for the newsmonger, the dispenser of monkey wrenches and the distributor of sand in the journal boxes."

Charles Woodward, British Columbia M.L.A.: "Edmonton is a railroad centre and is destined to be the biggest city between Toronto and Vancouver."

"Stop Me If You've Heard This One"

Acress—I'm ruined! I'm ruined! Look at this newspaper.

Friend—Have they published any scandal about you?

Actress—Worse than that. I signed a testimonial stating that I always smoked mildwhiff cigarettes because they never bothered my throat; and I signed another testimonial that I always use Lymphatic lozenges to protect my throat after smoking; and here they are, both on the same page!

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"In fully 80% of our overdue accounts I find that a telephone conversation will bring in the check without any unpleasantness, or loss of customers. People respond more agreeably to a Long distance telephone call from a business man, than to a letter. I don't believe anyone can write a letter that will take the place of a voice to voice conversation".

—Says the V. P. and Credit Manager of a very well-known firm. Are you keeping your bills collected by Long Distance ?

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OF CANADA

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Your drafts will be forwarded promptly and presented promptly. Every care will be taken to ensure satisfactory results.

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Any Branch of the bank will give you painstaking and dependable service.

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OF CANADA
HEAD OFFICE - TORONTO
Assets Over One Hundred and Thirty-five Millions

Background of Canadian Business

By JOHN E. LANGDON,
Business Editor, The Financial Post

WEEKLY REVIEW OF CONDITIONS

Major Indices of Business Continue on Favorable Lines
Outlook for Building Trades Promises Well in 1928
Automobile Production Reflects Uncertain Conditions
Aggregate Trade Returns for 1927 Show Increase
Freight Traffic Movement Ahead of Past Two Years

MAJOR indices of business during the month have been favorable. Earlier forecasts, that the trend of business in the first half of 1928 would show a tendency upward, appear to be well founded. Naturally, there are a few industries which have slackened off in activity, but, generally speaking, the volume of production to date this year, has been on a level slightly above that prevailing at the same time last year.

The open winter over a large part of the country has affected those industries of a seasonal character. Particularly is this true of the building trades. The value of new building undertaken in urban centres in December, for example, was the highest for that month since 1920, the authorizations being valued at nearly $12,000,000. This was a seasonal decrease as compared with November, but an increase as compared with the December, 1926, total, the previous high level for the month.

Building Permits Increase

The showing for the year as a whole, is even more favorable, the value of permits issued having totalled $185 millions, being greater than in any other of the seven preceding years, and exceeding the previous high level of 1926, by 18.6 per cent. The twelve months' total for 35 selective cities was exceeded only once, 1913, since the record was begun in 1910.

Present prospects are for a continuation of building activity. Estimates of the amount of new building to be undertaken this year are exceedingly encouraging. Much of this work, which ordinarily would be delayed until the spring months will be undertaken in February and March so that the construction industry will be off to an excellent start. There also is the expectation of a record volume of residential construction, which will be stimulated by the improvement in the financial position of the individual.

Other industries likewise are anticipating a further improvement in conditions. The iron and steel industry appears more active, but will not get into full swing for another month or two. The sharp decline in automobile production during the past four or five months has been primarily responsible for the lower output of iron and steel.

Motor Production Down

During December, 3,435 motor vehicles were turned out by Canadian factories, bringing the cumulative total for the year up to 179,426. This is 25,666 units less than in the preceding year. Comparison with other years, however, is more favorable, production in 1927 having been the second largest on record.

There seems to be no doubt now, but that the present season will witness a price-cutting war between the different manufacturers of automobiles. Several companies have already announced substantial reductions, but it is expected that further cuts will be made before the spring. Without taking into consideration the likelihood of an extensive price cutting war, all signs are exceptionally favorable to the marketing of a larger number of automobiles than in either 1927 or 1926. Lower prices will undoubtedly bring into the market a large number of buyers, which will have a stimulating effect on production.

Should the present trend of commodity prices continue, automobile manufacturers will be able to take care of price reductions without unduly affecting their financial position. The same might be said of other industries. The Government records show that the index of some 236 commodities weighted according to commercial importance fell 4.6 points during 1927, being 151.6 as compared with 156.2 in 1926. This is the lowest point the level of wholesale prices has reached since 1916, and is a reduction of 91.9 from the peak year of 1920 when the index was 243.5.

Farmers Fare Welll

Analysis of the returns on commodity prices show that the farmer fared better in 1927 than did the manufacturer. While the prices of wheat, flax, barley, rye, potatoes, straw, and other grain and vegetable products declined, the loss was somewhat minimized by an increase in animal products prices. On the other hand, there was a general decline in textile products, wood products and paper, iron and its products, chemicals and allied products, etc.

There has also been an improvement in the marketing of farmers' products between the opening of the crop year on August 1st and the end of the year. In that period, about the same quantity of wheat was exported as in the preceding year, but the value was up from $185 millions to $194 millions. The situation in regard to wheat flour was practically the same—volume of shipments remaining stationary, with increase in value. Exports of barley, and oats also show an increase, both in respect to quantity and value. Rye was the only important grain to show a decline in marketings.

Aggregate Trade Higher

Returns of external trade, which are now available for 1927, present a showing not adverse to Canada. True, the "favorable" balance of trade declined from $275 millions in 1926 to $151 millions in 1927, but the larger volume of imports was indicative of more pronounced manufacturing activity and greater domestic consumption.

Aggregate value of trade during the twelve months ended December 1927, was in excess of $2,300 millions. This compares with $2,286 millions in the year previous, an increase of about $29 millions. Of this total, imports last year, accounted for $1,087 millions, or $79 millions more than in 1926. At the same time, exports declined from $1,268 millions to $1.218 millions, thus cutting down the "favorable" balance by over $120 millions.

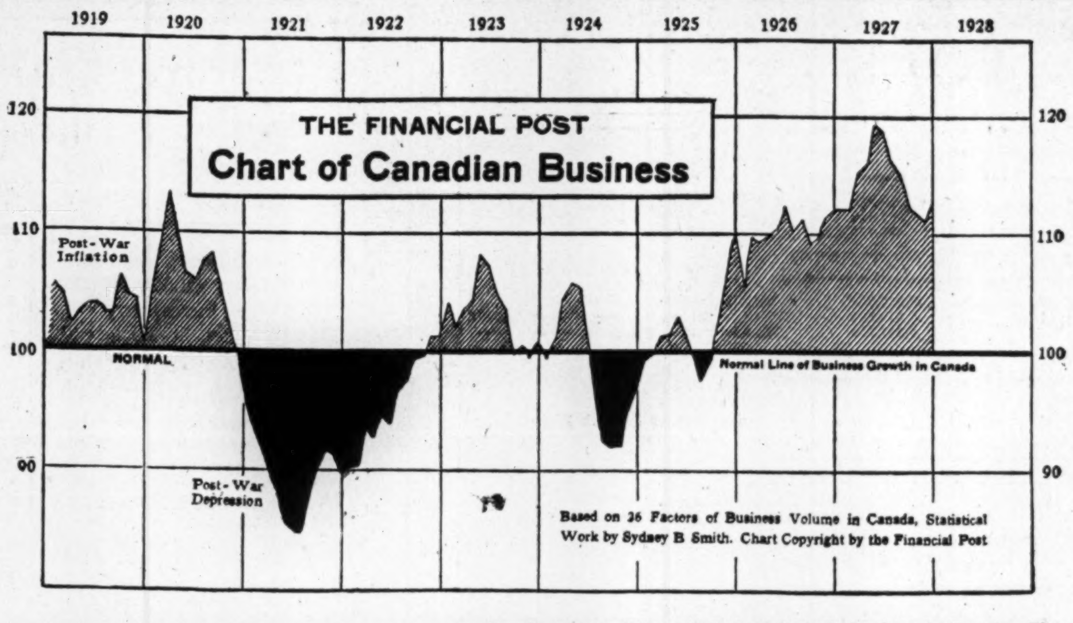
A feature of the external trade last year was the substantial increase in duty collected. Collections totalled $168 millions, an amount greater than that recorded in any recent year. It is to be expected, in view of this improved showing, that the Dominion Government will reduce taxation. Already there is talk of cuts in the excise tax and it may be that further reductions will be made in the sales tax.

Car Loadings Up

While traffic returns during the first week of the current year were lower than in the corresponding period of either 1927 or 1926, returns on revenue freight loaded, in the second week, however, are of a more encouraging nature. During that period, 14,131 cars were loaded, an increase being registered in all divisions except that of coke. As compared with the week of January 15, 1927, there is an increase of nearly fifty per cent. loading.

Cumulative loadings for the first two weeks of this year total 24,816, as compared with 23,160 and 20,126, the corresponding figures in 1927 and 1926. Livestock, lumber, pulp and paper, merchandise and miscellaneous are the only classifications which failed to register a gain over 1927. Most of the increase this year is credited to grain and grain products and coal.

Contract to erect a 2,500,000 bushel elevator at Vancouver has been let to the Northern Construction Co. and J. W. Stewart, by the Alberta Wheat Pool.



The curve representing the volume of general business in Canada is derived from 26 factors of physical volume in Canada. The factors include seven metals and minerals, eleven commodities used or produced by manufacturing industries, two factors of construction, three factors of internal and external trade, and a few series of general significance such as bank debits and industrial employment. Adjustment is made for seasonal tendencies and for the long term trend. The long term adjustment is effected by expressing the index as a percentage of the line of long term or secular trend. The result is that the area above the line represents prosperous conditions, while the area below the line indicates depression. It will be noted that the prosperity of Canada since the latter part of 1925 is graphically shown by the curve of general business

Business Activity Tops High Level

Advance of Index Acquires Significance as It Was First Gain Since May When It Reached Highest Point in Post-War History

By SYDNEY B. SMITH

Upon the receipt of further information regarding physical volume of business in Canada during December, there is confirmation, if such is required, of the high level of business activity during 1927.

The index of the volume of general business in December was 113.5 compared with 111.0 in the preceding month. This increase acquires significance as it was the first gain since May when the index reached the highest point in post-war history. The year opened with the index at 112.2 and marked increases were shown until May when the index stood at 118.8. Progressive decreases were experienced until November when 111.0, the lowest point for the year, was reached. The reversal of the trend in December appears to indicate that the low point on the current movement was reached in December and that in 1928 general business will again show an expansion.

In December an uneven tendency was in evidence, some items showing marked increases while others were in the doldrums. In the mining division increases were shown in silver, nickel and zinc and coal. Flour production was greater for the month while a severe decline was shown in sugar refining. The imports of raw cotton were greatly increased probably influenced by the lower prices. Lumber exports and newsprint production were less in December, while the primary iron and steel industry showed expansion. The automobile industry spent an inactive month, although the rubber and petroleum industry made larger importations of raw material. The mild weather probably accounted in part for an active building program. Employment in wholesale and retail trade was the largest on record after making due allowance for the season.

General Factors

External trade was comparatively quiet, in contrast to a heavy internal movement of freight, indicated by the record of car loadings. General factors such as bank debits and industrial employment were at high levels in December, active trading on the stock and mining exchanges accounting for much of the record transactions in bank cheques. After adjustment for seasonal tendencies, employment on January 1 was at the highest level since May, 1920.

The index of the volume of general business is one of the recent additions to the list of statistical series adapted for the interpretation of the trend of business in Canada. Bank clearings, pig iron production, gross revenues of railways, and wholesale prices were a few years ago regarded as among the accurate indicators along this line. It is now known that each of these factors is subject to irregularities of its own so that there is no single factor which is entirely satisfactory. By averaging a considerable number of the factors of physical volume, the irregularities of the individual items are overshadowed, and the curve of general business stands out as a record of the fundamental changes in business conditions.

Notwithstanding the prominent place given to speculative and money factors by the various forecasting services, production is the chief economic function. A heavy rate of production is one of the factors necessary to produce large net earnings and speaking generally it may be inferred that satisfactory earnings are being obtained when an industry is operating at a high percentage of capacity. A low rate of operation, on the other hand, denotes idle plant and heavy overhead in comparison with earning power and a decreased output upon which to realize a profit.

The productive process is the essential factor to the workmen dependent on the daily wage. Workmen are the first to feel the pinch when production slackens or to benefit when conditions permit the employer to expand his operations.

Under the circumstances an index which records the expansion or contraction of production from month to month must be worthy of study. Students of economic progress have divided on the causes of industrial fluctuation. One group has placed the emphasis on the variation in the yield of the principal crops arguing that the agricultural cycle generates the industrial cycle. Another group finds the essential element in the variation in the industries engaged in producing instrumental or "fixed capital" goods.

So-called "Causes"

Many other so-called "causes" have been advanced by different writers but the phase is now passing and the very variety of the explanations offered has led to the conclusion that it is not possible to refer to a single cause the swing of the social economy from depression to prosperity and the reverse movement from prosperity to depression.

Attention is now centred on the relation of different factors and it is on a study of such relationships that the practice of economic forecasting is based. The index of general business occupying the centre of the economic structure, is a logical standard for a comparison with the remaining series significant in the interpretation of the current trend. By establishing a time sequence between the various factors, a body of information is acquired of the greatest utility in forecasting.

Canadian Business Indicators

Compiled weekly by The Financial Post

	Latest		To Date	
	1927	1926	1927	1926
Pig iron, tons (Nov.)	37,989	52,345	646,500	683,532
Steel, tons (Nov.)	80,730	54,311	811,390	718,395
Newsprint, cwts. (Dec.)	181,600	163,177	2,086,949	......
Automobiles (Dec.)	3,435	7,725	179,426	205,092
Boots and shoes, pair (Nov.)	1,408,979	1,525,739	16,319,997	15,999,256
Flour, bbls. (Nov.)	2,120,116	..(3 mos.)	6,810,910	6,998,727
Construction—				
Contracts awarded (Dec.)	$36,682,000	$13,728,800	$418,951,600	$372,951,600
Building permits (Dec.)	$11,744,094	$11,508,818	$185,451,271	$156,386,607
Labor—Employment index			103.4	98.4
Transportation—				
Car loadings (to Jan. 14, 1928)	14,131	10,822	24,816	23,160
C.P.R. gross (Nov.)	$21,993,751	$21,524,116	$182,378,500	$180,233,610
C.P.R. net (Nov.)	6,375,794	6,749,723	37,842,404	43,328,944
C.N.R. gross (Nov.)	$23,699,965	$23,501,587	$243,408,396	$240,213,168
C.N.R. net (Nov.)	6,777,333	7,191,257	40,118,930	44,334,776
Elec. Power—Generated— Thousand kil. hours	1,082,126	1,015,119	11,026,118	10,129,503
Population—				
Emigration (Nov.)	7,055	.....	(5 mos.)	39,549
Immigration (Nov.)	5,904	7,721	*124,362	*108,620
Trade (Dec.)—				
Imports	$83,262,695	$81,774,995	$1,087,117,930	$1,008,341,911
Exports	130,277,157	138,421,475	1,218,336,773	1,268,581,976
Imports of key products (Nov.)—				
Rubber, lbs.	4,292,041	..(12 mos.)	58,123,868	46,265,412
Cotton, lbs.	11,986,796	..(12 mos.)	183,550,734	137,544,744
Sugar, cwt.	657,799	..(12 mos.)	9,836,667	11,275,929
Petroleum, gals.	64,977,787	..(12 mos.)	806,310,451	675,856,465
Coke, tons	75,468	..(12 mos.)	780,595	1,052,087
Exports of key products (Nov.)—				
Newsprint, cwt.	3,599,372	..(12 mos.)	37,381,429	34,254,360
Automobiles, pass. (No.)	2,403	..(12 mos.)	42,879	54,434
Wheat, bush. (Dec.)	44,808,700	44,878,844	143,311,555	139,515,118
Wheat Flour, bbls.	956,762	884,942	4,196,066	4,180,954
Finance—				
Failures, number	.....	.....	2,182	2,196
Failures, liabilities	.....	.....	$34,461,595	$87,082,882
Bank Debits (Nov.)	$4,150,724,796	$2,915,658,907	$31,839,425,196	$27,514,880,175
Bond Sales (Dec.)	$16,711,620	$13,026,009	$617,114,900	$573,229,879
Stock prices index (Jan. 7, '28)	....	....	597.3	229.3
Insurance sales (Nov.)	$44,935,000	$44,251,000	$453,539,000	$424,283,000
Wholesale prices (1913-100)—				
General Index	....	....	151.6	156.2
Iron (Nov.)	....	....	141.4	145.7
Cotton	....	....	165.7	106.5
Grains	....	....	163.1	158.0
Cattle	....	....	127.1	91.7
Rubber	....	....	60.9	64.8

*8 months.

Business Conditions in United States

Volume of trade in the United States during the week ended January 14, as indicated by figures on check payments, although lower than in the preceding week, was considerably higher than in the corresponding week of 1927, according to the weekly statement of the Department of Commerce.

WEEKLY BUSINESS INDICATORS

Relative numbers, average 1923-25 equal 100

	1928 Jan. 7	1927 Jan. 15
Bituminous-coal production	100.6	139.3
Lumber production	72.7	85.9
Beehive-coke production	33.9	73.9
Petroleum prod. (daily av.)	114.2	114.8
Freight-car loadings	....	99.1
Bldg. cont., 37 states (d. av.)	44.2	78.2
Wheat receipts	57.4	60.0
Cotton receipts	81.2	150.8
Cattle receipts	72.8	93.0
Hog receipts	106.9	110.6
Price No. 2 wheat	....	....
Price cotton middling	73.2	49.6
Price iron and steel comp.	84.7	91.3
Copper, electrolytic, price	100.7	94.9
Fisher's price index	92.6	93.4
Bank loans and disct. total	125.1	115.4
Debits to indiv. accounts	154.8	120.4
Int. rates, call money	115.1	103.0
Business failures	125.1	
Stock prices	187	
Bond prices	11	
Int. rates, time money		
Federal reserve ratio		

CONTINENTAL LIFE PRESIDENT LAUDS CHEAPER POLICIES

Company Wrote $9,000,000 of Business in Past Year

Continental Life Insurance Company wrote $9,094,942 of new business in 1927, an increase of $585,000 above the new business of the previous year. Business in force now stands at $32,778,660. The total net income for the year was $1,425,311.69. The assets of the company on December 31, had increased by $563,715.61 to $5,650,118.55. These include first mortgages on real estate, policy loans, bonds, debentures and the company's home office building. The average rate of interest earned during the year was 6.35 per cent. The reserves held by the company at the end of the year for its policy and annuity contracts amounted to $4,971,967 an increase of $507,818 The payments to policyholders and beneficiaries during the year were $442,549.75.

President George B. Woods, at the annual meeting, referred to the new low-cost insurance policies introduced for the company. He said on this point:

"Legislative changes during the past year have been made in Canada with a view to adapting life insurance contracts to social needs. New bases of valuation of life insurance policies were introduced by the companies and authorized by the department of insurance. Since 1877 statutory bases of valuation have been in force, and until recently the mortality tables in use were based on the experience of British life offices.

"The continual decrease in the rates of mortality, especially at the younger ages, has made these tables out of date, and their use as the standard in Canada has hampered the tendency towards reducing non-participating rates at the younger ages at entry. The new legislation substituted for the one table seven specified tables, including the Canadian Men Table, which is based on actual experience of assured lives in Canada. The appearance of a Canadian mortality table in our legislation is indeed an epoch in Canadian insurance history.

"It is believed that the new legislation will be better fitted to modern life insurance needs."

Fraser Companies, Ltd., will erect a mechanical pulp mill at Edmundston, New Brunswick, during the present year, and before the close of 1928 will be manufacturing paper board.

JOINS NATIONAL TRUST

Terence Sheard has joined the staff of National Trust Company, as a member of the Estates Department. Mr. Sheard will specialize in advice on wills and personal trusts.

Mr. Sheard is a son of Dr. Charles Sheard of Toronto. He was educated at Upper Canada College and the University of Toronto, whence he graduated with first class honors in modern history. Mr. Sheard later attended the University of Oxford and qualified there for the degree of B.C.L. He is a barrister of Lincoln's Inn and also a member of the bar of Ontario and Manitoba.

THE PAS
MANITOBA

THE BANK OF TORONTO

Announces the opening of a branch office at the above point under the management of Mr. C. J. Knox.

Capital and Reserves over $12,000,000

F. H. MARSH,
Western Superintendent,
Winnipeg.

JOHN R. LAMB,
General Manager.

THE BANK OF TORONTO
Incorporated 1855

DRIVE WITH SECURITY!

No investment offers so much real security to drivers and passengers in Motor Cars as our

NON-SHATTERABLE WIND SHIELDS AND SIDE LIGHTS

Danger constantly surrounds the automobilist. This danger is increased in case of accident by flying glass.
Cars equipped with Non-Shatterable Glass offer a constant protection.

Patented and Manufactured by

PERFECTION GLASS CO. LTD.

91 Don Roadway, Toronto
2977 Hutchison, Montreal
1115 McDougall St., Windsor

NINETY-SIXTH ANNUAL REPORT OF

The Bank of Nova Scotia

CAPITAL PAID-UP - $10,000,000
RESERVE FUND - - $20,000,000

PROFIT AND LOSS

Balance December 31st, 1926	$ 658,887 38
Net profits for year, losses by bad debts estimated and provided for	2,365,319 74
	$ 3,024,207 12
Dividends for year at 16%	$ 1,600,000 00
War Tax on circulation to December 31st, 1927	100,000 00
Contribution to Officers' Pension Fund	95,000 00
Written off Bank Premises Account	250,000 00
Transferred to Reserve Fund	500,000 00
Balance carried forward December 31st, 1927	479,207 12
	$3,024,207 12

GENERAL STATEMENT AS AT DECEMBER 31st, 1927

LIABILITIES

Capital Stock paid in		$10,000,000 00	
Reserve Fund		20,000,000 00	
Balance of Profits, as per Profit and Loss Account		479,207 12	
Dividends declared and unpaid		400,828 00	
			$ 30,880,035 12
Notes of the Bank in circulation		15,190,166 81	
Deposits not bearing interest	$39,182,889 46		
Deposits bearing interest, including interest accrued to date	164,315,681 22	203,498,570 68	
		218,688,737 49	
Balances due to other Banks in Canada		2,366,879 09	
Balances due to Banks and Banking Correspondents in the United Kingdom and foreign countries		1,631,799 90	
Bills Payable		1,495,264 50	
			224,182,680 98
Letters of Credit outstanding			6,388,227 43
Other Liabilities not included in the foregoing			286,036 90
			$261,736,980 43

ASSETS

Current Coin	$ 8,969,927 92
Dominion Notes	19,626,471 75
United States and other foreign currencies	1,921,804 83
Notes of other Banks	1,275,086 43
Cheques on other Banks	10,710,589 20
Balances due by Banks and Banking Correspondents elsewhere than in Canada	3,369,831 49
	45,873,711 62
Deposit in the Central Gold Reserves	6,500,000 00
Dominion and Provincial Government securities, not exceeding market value	26,952,426 54
Canadian municipal securities and British, Foreign and Colonial public securities other than Canadian, not exceeding market value	11,568,237 36
Railway and other bonds, debentures and stocks, not exceeding market value	12,925,631 06
Call and short (not exceeding thirty days) loans in Canada on stocks, debentures and bonds and other securities of a sufficient marketable value to cover	27,457,071 19
Call and short (not exceeding thirty days) loans elsewhere than in Canada on stocks, debentures and bonds and other securities of a sufficient marketable value to cover	12,062,648 43
	143,339,726 20
Other current loans and discounts in Canada (less rebate of interest) after making full provision for all bad and doubtful debts	82,145,510 77
Other current loans and discounts elsewhere than in Canada (less rebate of interest) after making full provision for all bad and doubtful debts	22,126,487 17
Liabilities of Customers under Letters of Credit, as per contra	6,388,227 43
Non-current loans, estimated loss provided for	223,009 59
Bank Premises at not more than cost, less amounts written off	6,836,478 38
Real Estate other than Bank Premises	12,473 83
Deposit with the Minister of Finance for the purposes of the circulation fund	492,539 97
Other assets not included in the foregoing	172,527 09
	$261,736,980 43

S. J. MOORE, President.
J. A. McLEOD, General Manager.

Auditors' Report to the Shareholders:

We have examined the above General Statement of Liabilities and Assets as at December 31st, 1927, and compared it with the books at the Chief Office and with the certified returns from the Branches. The Bank's investments and cash on hand at the Chief Office and at the Toronto and Montreal Branches were verified by us at the close of business on December 31st, 1927. We have obtained all the information and explanations that we have required, and in our opinion the transactions of the Bank which have come under our notice have been within the powers of the Bank.

We certify that in our opinion the above statement discloses the true condition of the Bank and is as shown by the books of the Bank.

D. McK. McCLELLAND, F.C.A.
of Price, Waterhouse & Co.
H. T. JAMIESON, F.C.A.
in co-operation with Riddell, Stead, Graham & Hutchison
Auditors

Toronto, Canada, 17th January, 1928.

ENGRAVERS and PRINTERS

Bank Notes
Municipal Debentures
Bonds Cheques
Stock Certificates

Canadian Bank Note Company
Limited
224 WELLINGTON STREET
OTTAWA

Branch Offices.
Montreal—189 St. James St.
Toronto—1604 Royal Bank Bldg.

5%

On Guaranteed First Mortgage Certificates

Safe beyond question and unconditionally guaranteed.

Send for descriptive circular without obligation.

THE
STERLING
TRUSTS
CORPORATION
10-12 East King St., TORONTO
Branch—REGINA

Solid as the Continent

THE 47th year in the history of the North American Life Assurance Company was marked by substantial growth and development.

The financial record of 1927 is such as to inspire continued confidence in the stability and progressiveness of the company.

Assets	$ 35,608,067.00
Surplus	6,400,567.00
Payments to Policyholders	3,082,510.00
Policies Issued and Revived	32,090,726.00
Insurance in Force	165,684,200.00

Policyholders

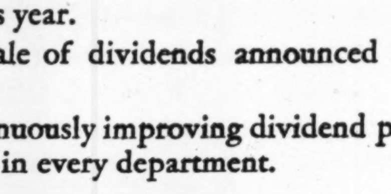
May congratulate themselves on this splendid showing:—

The year 1927 ended with the Largest Surplus earnings in the Company's history.

Payments to Policyholders increased by $515,845 over the previous year.

An increased scale of dividends announced for 1928.

A record of continuously improving dividend payments—progress in every department.



NORTH AMERICAN LIFE
ASSURANCE COMPANY
"Solid as the Continent"
HEAD OFFICE
TORONTO ONT

Pulp & Paper

SOME DISAPPROVE OF RECENT OFFER TO SPANISH RIVER

Aver That Investing Public Are Jarred by Exchange Overture

CONTRARY ARGUMENT

By Accepting Proposal Spanish Preferred Receive Dividend Increase of $1 Per Share

From Our Own Correspondent

MONTREAL.—There has been some criticism of the exchange offer made to the Spanish River preferred by the Abitibi Power and Paper Company. For instance, Financial Service, one of the Montreal financial bulletins, says:

"During the past two years Spanish preferred has been bought steadily by shrewd investors, who after carefully analyzing the company's financial statement, as published, had reached the decision that it was one of the best preferred stocks on the Montreal Stock Exchange, which could be purchased with a great deal of safety. There has been little or no speculation in the stock for some time, therefore, it is the investing public, whose confidence has been jarred by the recent developments. This preferred stock has always sold in the market between seven and twenty points above the common but in the final show-down they received less."

Offsetting the foregoing, no large preferred shareholders of Spanish have definitely announced that they will not accept the offer and that in their opinion it is unfair. Apparently, the attitude of the managements of the two companies involved is that the market's valuation of the value of Spanish preferred was inflated prior to the announcement of the offering to the shareholders. Last year, Spanish earned its dividend requirements by only a narrow margin indeed. Moreover, the outlook for any increase in the dividend rate in which the preferred shareholders would have participated was indeed remote, more especially in view of the fact that the present unsatisfactory situation existing in the newsprint industry will prevail probably for some time to come.

Spanish River preferred sold as high as 160—and it seems a fair assumption that in view of the over-expansion of the industry that figure more than discounted the participating features of the preferred shares. Coupled with this also is the earning power of Spanish which was only a little over dividend requirements.

Despite the fact that had there been no merger, there was no possibility, at least for a long time, of any dividend increase for Spanish preferred. Yet by accepting the offer made them, the Spanish preferred shareholders receive a dividend increase of $1 per share per annum, an increase which certainly would not have been possible without the merger. Moreover, the new preferred shares of Abitibi, as far as security goes, will be much stronger than the preferred of the Spanish River. In fact, the two securities will not be comparable, from a security angle.

Then, the half share of new common stock which Spanish preferred receive for each share of the old stock gives them a participation in future earnings—not only of Spanish, but of all the component companies of the Abitibi Power and Paper Company. In any consideration of the merger and the offer made to them, Spanish River preferred shareholders should not neglect to take into consideration the fact that on their old stock they were entitled to profits from the Spanish River Pulp and Paper Mills only. In going into the new company, they are entitled only to receive securities which will compensate them for the loss of participating in the far distant increased profits of the Spanish mills only. The Spanish and Abitibi managements feel that the new common shares of Abitibi being offered Spanish preferred fully cover the claim of Spanish River preferred to participation in future earnings.

In the formation of the merger, Spanish River common shareholders are naturally entitled to better terms than the preferred for the common shareholders of Spanish are entitled to participate in the earnings of all the component companies, whereas Spanish preferred shareholders should only be entitled to participate in any potential increase in the earnings of only a small part of the new merger company, namely the three Spanish River mills.

PULP AND PAPER SHOW DECLINE FOR DECEMBER

Sulphate Exports Increase in 1927, But Kraft is Down

From Our Own Correspondent

MONTREAL.—While exports of pulp and paper during the month of December show a material decline as compared with the preceding month, yet the decline is seasonal and the figures generally compare satisfactorily with those of December, 1926.

Exports of sulphate pulp for the full 1927 year have increased marginally over 1926. The exports of kraft paper, though, are down by about 25 per cent. during the year.

Exports of unbleached sulphite show a material decline, which is not compensated for in the increase of the exports of bleached sulphite. The decline exhibited in the exports of the total of both varieties can be explained, though, by the increased domestic use of sulphite pulp in the newsprint mills. The situation surrounding the manufacture of ground wood pulp still remains unsatisfactory. Exports for December are largely off as compared with December 1 a year ago, and as compared with November. For the full year, there has been a decline of about 25 or 30 per cent. in the total exports. Exports of pulpwood for 1927 amounted to 1,541,769 cords, as against 1,391,738 cords a year ago.

The fine paper mills appear to be doing an excellent foreign business and exports of book paper for 1927 amounted to 9,987,000 pounds, as compared with only 6,054,500 pounds a year ago. Exports of bond paper also increased during the year by about 30 per cent.

The total value of the exports of paper and its manufacture amounted in 1927 to $129,637,687, as against $121,414,513 in 1926. The increase, though, is more than accounted for by an increase of over $9,000,000 in the total exports of newsprint paper.

From the foregoing, it can be seen that the year just concluded, with the exception of the fine paper producers, has not been satisfactory for the industry as a whole.

Gasoline Marine Engines
Equipment, Propellers
REPAIRS TO ALL MAKES OF ENGINES
Foreman Motor & Machine Co. Ltd.
Lake St., Toronto, 2, Ont.

BROMPTON PULP HAS SOLD 10,000 TREASURY SHARES

Sale Was to Re-imburse Company for Capital Outlays

From Our Own Correspondent

MONTREAL.—The Brompton Pulp and Paper Company has sold, at a satisfactory price, 10,000 treasury shares. This increases the total outstanding stock from 140,000 to 150,000 shares.

E. W. Tobin, the president of the company, in announcing the sale of the stock to private interests, mentioned no price, but as the present market for the stock is over $60 a share, it would be reasonable to presume that the company obtained a figure close to this for the shares. Thus, the transaction will net the company, in round figures, $500,000. The proceeds of the sale were to reimburse the treasury of the company in part, for some of the large capital outlays which have been made out of earnings over the past few years.

These extensions and additions to the plants include the completion of the new newsprint mill at Bromptonville, and improvements which have been carried out at the East Angus plant. In a letter to the shareholders announcing the sale of the shares, the president says that Brompton is in a strong liquid position, and operations are proceeding satisfactorily.

The reason why the announcement of the sale of the Groveton plant was deferred was at the request of the purchasers. That plan had long presented a serious problem to the management, as for years it had shown a considerable operating loss, and was a serious drain on the profits obtained at all the other plants.

ABITIBI COMMON IS SHAPING WELL

New Stock Will be Placed on $4 Dividend Basis, Yielding Over 5¼%

The total newsprint production in Canada last year was 2,086,949 tons, an increase of roughly 10 per cent. over that of the previous year, which was itself a record for all time. This continued growth of the industry calls attention again to the investment possibilities which are offered by Canada's largest newsprint consolidation—Abitibi Power and Paper Co., Limited.

"Abitibi" owns, or will control, when present arrangements are completed, nine newsprint and pulp mills with an actual total yearly capacity of 650,000 tons capable of development up to a million tons and developed water power of 190,000 horse power, with a total possible development of 500,000 horse power. The company's timber limits are estimated at over 30,000 square miles. Because of its dominant position in the industry, and the low cost of production in its mills, the common stock of this company, which is around 151, would appear to be selling out of line with the stocks of other companies in the industry.

Although the present dividend is $5 it is announced that the new stock, of which two shares will be given for every one of the present issue, will be placed immediately on a $4 dividend basis which, at present price, would give a yield of over 5¼ per cent. This compares very favorably with Price Bros. at 90 yielding 2.22 per cent. and St. Maurice Valley common, which is not yet on a dividend basis, selling around 78.

Wabasso Cotton Company to Buy New Equipment

From Our Own Correspondent

MONTREAL.—It is understood that the Wabasso Cotton Company will apply the proceeds of the sale of 17,500 new shares of stock to its shareholders to the purchase of new equipment and to the expansion of its plants. The stock issue will yield the treasury $1,400,000. One of the extensions in view is the addition of four new machines which will be added to the print mill. At present, the company has installed there two machines only.

Financial Structure of Enlarged Abitibi Power & Paper Co.

Abitibi Fibre	Bonds	$4,000,000	Held by public
	7% Preferred	4,000,000	All held by
	Common (N. p. v.)	100,000 shs.	All held by
St. Anne Paper	Bonds	$5,000,000	Held by public
	7% Preferred	2,700,000	Largely held by Abitibi and Spanish
	Common (N. p. v.)	100,000 shs.	All held by
Spanish River	Bonds	$9,902,640	Held by public
	7% Preferred	8,619,500	Will be largely exchanged into Abitibi
	Common	9,447,000	Virtually all held by
Fort William Paper	Bonds	$3,500,000	Held by public
	7% Preferred	1,500,000	Largely held by Spanish River
	Common (N. p. v.)	40,000 shs.	All held by
Manitoba Paper	Bonds	$4,000,000	Held by public
	8% Preferred	4,800,000	Largely held by Abitibi and Spanish
	Common (N. p. v.)	125,000 shs.	All held by
Murray Bay Paper	Bonds	$2,000,000	Held by public
	7% Preferred	1,250,000	Largely held by Abitibi and Spanish
	Common (N. p. v.)	50,000 shs.	All held by

The Abitibi Power & Paper Company
Capitalization will depend on manner in which Spanish River exchange Preferred.

The accompanying chart graphically shows the relation occupied by the new enlarged Abitibi Power and Paper Company and its various components. At the moment, it is impossible to give the outstanding capitalization of the Abitibi company; one of the reasons being that the Spanish River preferred shareholders have three conversion options which they may exercise. The capitalization of the Abitibi Power and Paper will depend on exactly how the Spanish preferred exercise their options to convert into new Abitibi preferred and new Abitibi common.

From the chart, it will be seen that Abitibi and Spanish hold large blocks of the preferred shares of the St. Anne, Fort William, Manitoba and Murray Bay companies. This, of course, puts a much larger equity in these properties behind the common shares of Abitibi. Ultimately, perhaps, some switch in the capitalization of some of the subsidiaries may take place which would eliminate all the complicated accounting due to the complexity of such a financial structure.

For the ultimate future, the merger should be productive of savings. Many of the bonds of the subsidiary companies carry a rate of interest higher than that at which Abitibi can borrow money. Then, again, the seven per cent. preferreds of the subsidiaries constitute a costly annual charge—that is those sections of the preferred which are held by other interests. Ultimately the Abitibi Power and Paper Company will make large annual savings by refunding operations of one kind or another.

N. B. Inter. Paper Increases Holdings

From Our Own Correspondent

MONTREAL. — The New Brunswick International Paper Company over the past year or two has steadily increased its timber holdings in New Brunswick which to-day total 2,348 square miles, an area slightly in excess of Prince Edward Island. In the accumulation of timber reserves, the company is providing a perpetual supply of wood for the operation of its projected newsprint mill in that province.

Construction work on the Saint John River Power Company's development at Grand Falls is now nearing completion. It is the largest hydro development in the Maritime provinces and is designed for an installation of 80,000 h.p. The plant will have an initial installed capacity of 60,000 h.p. produced by three 20,000 h.p. generators. The Saint John River Power Company is a subsidiary of the Canadian Hydro-Electric Corporation. Its completion will allow the company to proceed with its new paper mill and will make available a large supply of low cost power for other industries in the province.

HYDRO-ELECTRIC AT GRAND FALLS NEARLY FINISHED

Timber Reserves Accumulation for International Paper Mill Proceeds

The Hydro-Electric Development at Grand Falls on the Saint John River, New Brunswick, has progressed so far that it can now be described as nearing completion.

Construction during 1927 was well advanced and the provisions of the contract in respect to progress on the work have been fully met, despite some adverse weather conditions which had to be contended with by the contractors. The plant will be operated by Saint John River Power Company, a subsidiary of the International Paper Company, and will be the largest hydro-electric development in the Maritime Provinces. Designed for an installation of 80,000 horsepower, the powerhouse at Grand Falls will have an initial installation of 60,000 horsepower in three generators of 20,000 horsepower each.

Timberland Reserves

The year which has just closed also saw a continuation of the assembly of timberland reserves for the mill which the New Brunswick International Paper Company will soon build in Northern New Brunswick. In 1927 the company purchased 1,385 square miles of timberlands, and in 1926, 411 square miles. These woodlands, added to the 522 square miles held prior to 1926, give the company, for its new mill, a total of 2,348 square miles, an area slightly in excess of that of Prince Edward Island.

Both the plant at Grand Falls and the new paper mill to be erected in the northern part of the province have been especially designed to meet modern conditions and they will reflect the best that the present day engineering skill can devise.

Permanence to Undertakings

From year to year paper and power are playing an increasingly greater part in modern civilization, and the consumption of each is growing at a faster rate than increase in population. Thus, these new enterprises—the power plant at Grand Falls and the paper mills in the north—are not only destined to become important elements in the industrial life of New Brunswick, but the vital character of their products and the organization back of them assure permanence to the undertakings.

In the accumulation of timberland reserves for its new paper plant in the province, the International Paper Company is providing a perpetual supply of wood for the operation of the mill. This is an example of the policy of the company to build for permanence to the end that its enterprises shall endure for all time and that those directly and indirectly dependent on them shall prosper.

Canadian Paperboard Company Limited
Largest Manufacturers of Paperboard in Canada
Mills at Montreal, P.Q., Campbellford, Ont., Frankford, Ont.
HEAD OFFICE: 2 Seigneurs Street MONTREAL

"Send one of your men to see me"

Do you often send to your prospective customers attention-creating booklets and folders—literature that results in inquiries by phone and letter?

The power of printed salesmanship is immeasurably great.

Your printer can help you. Use him.

HOWARD SMITH PAPER MILLS LIMITED
MONTREAL, CANADA

DOMINION TEXTILE CO., LIMITED
MANUFACTURING
ALL LINES OF WHITE AND GREY COTTONS, PRINTS, SHEETINGS, SHIRTINGS, PILLOW COTTONS, LONG CLOTHS, CAMBRICS, DUCKS, BAGS, TWILLS, DRILLS, QUILTS, BUREAU COVERS, TOWELS AND TOWELLING, YARNS, BLANKETS, RUGS, TWINES, NARROW FABRICS
AND NUMEROUS OTHER LINES USED BY MANUFACTURERS IN RUBBER AND OTHER TRADES
MONTREAL TORONTO WINNIPEG VANCOUVER

WABASSO COTTONS
Are Canada's Best
WABASSO COTTONS are equal to the finest products of the English mills in beauty, fineness of texture and durability. And they are made in Canada—from only the finest grade of raw materials.
THE WABASSO COTTON COMPANY, LIMITED
Three Rivers, Que.

Annual Capacity: 150,000 Tons of Groundwood Pulp. Mills at Chicoutimi and Val Jalbert, P.Q.
Quebec Pulp and Paper Corporation
Limited
Executive Office: CHICOUTIMI, P.Q.
Cable Address: "SAGUENAY, CHICOUTIMI"

The Spanish River ulp and Paper Mills Ltd.
SAULT STE. MARIE, CANADA
Manufacturers of News Print Paper

Production—720 tons daily.
Mills at
Sault Ste. Marie, Espanola, and Sturgeon Falls, Ont.

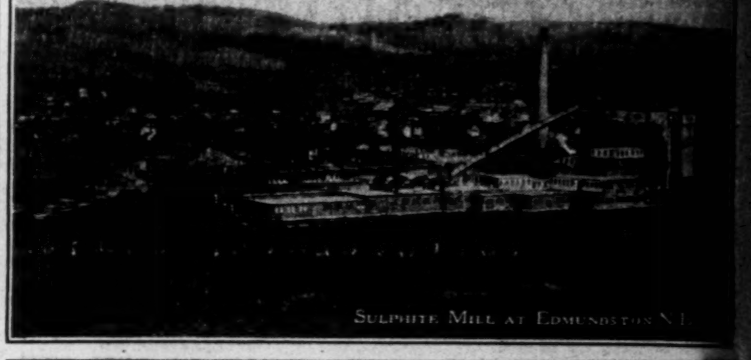
St. Maurice Valley Corporation
Successors to
Belgo-Canadian Paper Company, Limited, Shawinigan Falls, P.Q.
St. Maurice Paper Company, Limited, Three Rivers, P.Q.
Yearly Output—255,000 Tons Newsprint
Head Office:
MONTREAL-QUEBEC

Investment Securities
Newman, Sweezey & Co.
LIMITED
136 St. James Street Montreal

The Laurentide Company
LIMITED
Manufacturers of
Ground Wood - Sulphite Pulp
Wood Boards and Newsprint Paper
GRAND'MERE QUEBEC

PORT ALFRED PULP & PAPER CORPORATION
Newsprint and Sulphite Pulp
HEAD OFFICE.
CANADA CEMENT COMPANY BUILDING
MONTREAL, P.Q.
ills at PORT ALFRED, P. Q.

FRASER COMPANIES LIMITED
EDMUNDSTON, N.B.
Lumber :-: Bleached Sulphite Pulp :-: Fine Papers



Sulphite Mill at Edmundston N.

Abitibi Power & Paper Company
Limited
NEWSPRINT
IROQUOIS FALLS, ONT.

PRICE BROTHERS & COMPANY LIMITED

RIVERBEND
KENOGAMI
JONQUIERE
RIVER ST LAWRENCE
QUEBEC
BATISCAN
MONTMAGNY
NEWSPRINT MILLS
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TIMBER LIMITS

NEWSPRINT PAPER AND LUMBER
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BATHURST
BATHURST COMPANY
LIMITED
Groundwood—Sulphite
Kraft—Newsprint—Lumber
BATHURST NEW BRUNSWICK

Your Investments

Investment questions and problems submitted by subscribers of The Financial Post will be answered by letter and those of general interest will be published on this page. We cannot extend this service to non-subscribers. A two-cent stamp or stamped envelope must always be enclosed to cover the direct reply. Write mining and insurance inquiries on sheets separate from other investment inquiries.

Building Products

Please give me information regarding the preferred and common stocks issued by this firm. A fair quantity of this has been purchased at $35 per share.

We have information which leads us to believe that Building Products common is an attractive speculative common stock.

Lake of the Woods

Do you consider Lake of the Woods, at the present price and having in view the division of the stock, an investment which combines security and a fair return and has a chance of appreciation?

Lake of the Woods common stock is somewhat speculative as milling industry depends on foreign markets which have been contracting. However, the company is well managed and over a term of years, its position should tend to improve. The company may acquire domestic outlets for its flour.

Carbon and Alloy

I hold four shares of the capital stock of the Carbon and Alloy Steels Company of Welland, Ont., par value $100 each. Will you please advise me if this stock is worthless, as I do not seem to be able to get an offer for it at all. I have communicated with the secretary and he states that this stock will be listed soon.

Our information from Welland is that there is no local market for the stock in the Carbon and Alloy Steels Co. of Welland. Our informant, who is in a position to know the local situation, says that it is impossible to fix any value to the stock.

Hiram Walker-G. & W.

Would you advise holding Walker's, bought at 50, for considerably higher prices? I would also thank you for your opinion of Shredded Wheat. Do you think there should be an appreciation in this stock shortly?

The stock of Hiram Walker-Gooderham & Worts, is a promising speculation at present prices, and we do not think that unless there come a general slump in the market you have any reason to anticipate any material reaction.

So far as we are able to learn the Shredded Wheat Company is continuing to make progress.

National Steel Car

I would be glad of your opinion on this concern.

The immediate outlook for National Steel Car is very good, in the opinion of most observers. The railroads are buying a larger amount of equipment this year than they have for some years past and the company is gradually expanding its facilities so as to secure a diversity of product.

The difficulties of the railroad car equipment companies in Canada are traceable to the fact that the capacity of the various plants is greatly in excess of the requirements of the railroads. This excess capacity may be gradually taken up, first by diversification of products, and, secondly, by a gradual growth in the normal demands of the railroads.

Zimmerknit

I would appreciate whatever advice you could give on Zimmerknit.

Zimmerknit is a company with reasonably good prospects in the knit goods industry and recent confirmation of a plan to merge another company with Zimmerknit probably enhances the speculative attraction. The company in its career over a decade could be classed as successful and the management continues in office since the offering of the stock to the public.

Canadian Associate Co.

Within the last few weeks the "Ontario Farmer" and also the "Saturday Night" have discouraged the buying of shares on the grounds of poor marketability and the prospects of safety being rather speculative. Some others and myself have bought shares and will be very glad to have your opinion on the present condition of this company. We realize that there is a chance to take in all these investments and if this company is not holding up, we shall be very glad to know it in time.

As a result of your letter of January 9, we have taken the occasion to make another thorough investigation of Canadian Associate Companies.

If you have been reading The Financial Post during the last few months you will doubtless have noticed several enquiries on this company which have been answered through The Post and in which we have reiterated our belief that as a speculation, this stock holds very good possibilities for the next few years.

In your letter you mention the question of its marketability. As regards this point, there seems no doubt that the market for this stock is rather poor. As we understand it, this stock should have been bought with the view to a permanent investment, at least for several years, because there is very little possibility of much trading taking place until the common shares are put on a dividend basis and attain some value of their own. At that time there will probably be a demand for the stock and there should be no great difficulty in disposing of it. At the present time, however, we understand that the company does not attempt to make or create a market for this stock and that practically all of it is held as a permanent investment, for the present at least.

Regarding the stock itself, we do not think there is any reason to doubt the safety of your principal, for that matter, the company should not experience a great deal of difficulty in making sufficient money to pay its preferred dividend. This dividend as you know is on a fairly high basis and gives a pretty fair indication of the speculation involved. With regard to the common stock, nothing has been earned on this as yet. The 1927 earnings were just sufficient to pay the preferred dividends. We learn that the company's business for the latter half of 1927 was very profitable but that the former half of the year will, on account of unfavorable conditions in the Workmen's Compensation in the Province of Quebec, tend to eat up any profits that have been made earlier in the year. The prospects for the future are, we believe, fairly bright, and we have considerable faith in the calibre of the management of the company. Nevertheless marketability is an important factor in investment and we feel that the company should go further in improving its investment in that direction.

Northern Mexico Power

Kindly give me your opinion on this company.

Northern Mexico Power is a company which has shown increasing earning power in the last several years and the investment should remain satisfactory if political conditions in Mexico continue to improve. It may be pointed out that the company's operations are carried on in a district which appears to have been freer from disturbance than most other districts. There are rumors also, of absorption by International Power.

Lethbridge Breweries

You state you do not understand my enquiry regarding common stock of Lethbridge Breweries at 97. I might state that the capital of Lethbridge Breweries is $2,500,000, divided into 23,000 ordinary shares of $100 each, and 2,000 preferred shares of $100. I purchased the ordinary shares at 97.

We are informed by a correspondent, whom we consider reliable, that Lethbridge Breweries at 97 appears to be cheap. It is reported that the company in 1927 earned approximately 25 per cent. on the common stock and the outlook for 1928 is no less good. The book value of the stock is $138.

Northern Bakeries

Have you any information about this firm?

Northern Bakeries is a common stock which has had a very good record in the last year and we believe that the future is reasonably bright under the present management and control. There are continuous rumors of mergers or a realignment of this company, which from a market point of view enhance the possibilities. But it is well to remember in this connection that so far there is no official intimation regarding the possibility of a merger or absorption or any other move which would be to the benefit of shareholders.

Canada Gypsum

I have a few shares of common stock of the Canada Gypsum and Alabastine, Ltd., and am considering the purchase of a few more shares. Before doing so I would like your opinion.

We have been unable to confirm the report that Canada Gypsum common is earning at the rate of $8.50 per share, but we are informed on the best of authority, that the company is making good progress. There is the possibility of competition for this company in Canada by a well known U. S. firm, but it is believed the Canadian company will be able to hold its own in any market situation, assuming that the management continues capable. The company's deposits of gypsum will last at least 40 years in the opinion of persons who have appraised the property.

Brazilian Traction

Will you kindly favor me with your opinion as to the possibilities, etc., of Brazilian Tractions, particularly since the recent split of stock and the rights issued to shareholders?

Brazilian Traction has risen very rapidly in market value in the last year and it is possible that in the next year the progress will be somewhat slower. However, it is understood that the company is doing excellently and the split in the stock will tend rather to increase its popularity than otherwise.

In our opinion, Brazilian Traction is one of those common stocks which should be held for a term of years in order to profit to the utmost from the favorable conditions that have been developed since the war.

Brazil is prosperous and is reasonably well governed. The prospect of political turmoil is remote and the stabilization of the currency will have a general, beneficial effect which offsets the fact that the stabilization point is somewhat lower than could have been desired by this company.

Vitomin Cereals

A salesman has been in the district lately selling stock in a firm called Vitomin Cereals of Vancouver. They are, I understand, going to manufacture breakfast foods and other mill products. Would you kindly advise me regarding this company and what their chances are of success?

All new ventures are speculative. In the circular which was sent to prospective owners of stock in Vitomen Cereal, Ltd., is mentioned the fact that there have been great returns from investments in four companies manufacturing breakfast foods, but nothing is said about the money which has been lost by investment in companies manufacturing breakfast foods which have not been popularized. It does not require a very long memory to recall scores of breakfast foods which have had their day and then disappeared. And there are scores of other breakfast foods which have never had even a temporary popularity.

The ideal breakfast food from the point of view of the investor is the breakfast food which people will eat. The successful company manufacturing the ideal breakfast food is the company which is well managed, adequately financed and with manufacturing costs as low as the manufacturing costs of the competing successful breakfast food manufacturer.

The company in which you are asked to buy stock has yet to prove itself on so many points that the investment must be considered highly speculative.

Service Station

Would you kindly give me your views on Service Station Equipment Co.?

The outlook for Service Station Equipment Co., Ltd., is good in view of the fact that the demand for motor car fuel appears to require a constant addition to the number of service stations on the highways. It may be pointed out that not only are additional stations being constantly constructed for existing highways, but that there are new highways being built and planned in geat number.

Canadian Bakeries

What do you think of the future prospects of Canadian Bakeries common?

The latest available information regarding Canadian Bakeries is that the company is going ahead gradually. There appears to be no reason for any immediate substantial appreciation in the market value of the common shares. The rise from 34 to 42 apparently was on the assumption that the company would be involved in a merger, but this rumor evidently was unfounded. The December 23rd, 1927, issue of The Financial Post contained a list of twenty-five common stocks, which, in our opinion, are in position to advance in the coming year if the general market is favorable.

List of Investments

I would appreciate receiving some advice regarding the following list of my investments:

25 Brazilian Traction—221¼.
25 Steel of Canada—201.
50 Quebec Power—85¾.
25 Canada Cement—30⅞.
25 Hollinger Gold Cons.—18.00.
25 Noranda—24.00.

Brazilian Traction at 221 may be discounting the future to some exten, but I believe that over a term of years the investment should be satisfactory.

The same comment might apply to Steel of Canada at 201, the shareholders have reason to anticipate big things from this company in the next few years, especially if there are some moderate revisions in the tariff as regards steel products.

Quebec Power at 85¾ is a good investment, but should be salted away for a long hold.

Canada Cement at 30 is a speculation which may result satisfactorily if held for some time.

Hollinger at 18 and Noranda at 24 appear to be moderately priced.

Stocks and Bonds

I would very much like to have you give me your opinion on the following list of stocks and bonds:

2,000	Shares	Mining Corp. ...	3.66
20,000	"	Lucky Jim Lead and Zinc	.21
3,000	"	Thompson-Cadillac	.40
5,000	"	Champion Gold Rf.	.20
10,000	"	Wettlaufer	.05
300	"	Mt. Vernon Oil Co., Ltd.	1.00
100	"	Brantford Cdge.	23.00
100	"	Brampton Pulp ..	34.00
200	"	Seagram	24.50
220	"	Walkers' G & W	62.00
88	"	Eastern Steel Produce Pref. ..	100.00
44	"	Do., common	Bonus
50	"	Northern Canada Pr. Corp. Pref.	100.00
15	"	Do., Common ...	Bonus
25	"	City Dairy	210.00
200	"	B. A. Oil	28.00
$5,000	"	Manitoba Bonds.	

Replying to your letter of December 30th, we would make the following comment; first on your mining holdings:

Mining Corporation is an attractive speculation.

Lucky Jim Lead and Zinc Mine at 21 cents has considerable possibilities.

Thompson-Cadillac at 40 cents is a fair speculation.

Champion Gold Reef at 20 cents has possibilities in the distant future, in our opinion.

Wettlaufer, at 5 cents a share, is a stock of questionable value, in our opinion.

Your holdings of Brantford Cordage at $23 are not likely to be satisfactory so long as the Canadian tariff permits foreign manufacturers of binder twine to dump their products in this country at prices under the prices which enable domestic manufacturers to manufacture at a profit, while paying good wages.

Brompton Pulp should be satisfactory over a term of years.

The Hiram Walker-Gooderham & Worts stock is one of the most attractive of the liquor issues and we see no reason why you should sell at present prices. Seagram's is a liquor issue about which the public knows little. There are speculative possibilities, but we know of nothing which would appear to justify the stock markets putting a different valuation on the stock than that which has prevailed for some months.

Little real information comes out regarding British American Oil, but it is understood that the company is making excellent profits and the record of the investment would indicate continuous progress.

Your investment in City Dairy should be satisfactory, despite the fact that the stock has had a long and continuous rise.

You have made an enquiry about Northern Canada Power preferred and common. Ninety per cent. of Northern Canada Power common is owned by the Canada Northern Power Corporation and, moreover, Northern Canada Power Corporation has no preferred issue outstanding. Therefore, we take it you mean the Canada Northern Power preferred and common.

As you are aware, the Canada Northern Power Corporation serves the whole of the Northern Quebec and Ontario mining districts. The preferred, I believe, is satisfactory for a business man's purchase, giving a nice yield. The present quotes on the common are around $65 to $70, which, in my estimation, discounts the future perhaps too heavily. In the long run this company should do well.

National Radiator

I bought thirty National Radiator seven per cent. preferred shares at $97.50. Please give me your opinion of them as an investment.

The National Radiator Corp., debenture issue is an industrial bond of the type that has some speculative feature to it. This is compensated for by the fact that the yield is rather high.

The corporation has been formed from a number of companies that have been successful and there is no reason to believe it will not continue to expand and give full protection to the bond holders. It is an industrial bond, and the bond of a merger that has not yet proved itself and for that reason cannot be regarded as of the highest grade.

The 7 per cent. preferred stock which is convertible into common stock must be classed as a business man's investment with some attractions. Over a term of years the investment should be satisfactory. At the same time it is desirable to remember that the new company is not a leader in its field. Usually, the leader is the most satisfactory investment.

Cement Common

I am considering the purchase of the Canada Cement Company's common stock which is listed on the curb at $32, but before doing so, and as I have every confidence in your judgment and integrity, I am writing you a letter to obtain your guidance in this matter.

As you are aware, new interests took over the company's business in October at $250 per share. I presume the stock that is listed on the curb at $32 to-day represents the original common stock after the split was made.

The Canada Cement Company has a virtual monopoly on the cement business in Canada to-day, with the exception of the Province of Quebec, where the National Cement Company commenced operations a year or two ago. The National Cement has only one mill which is located at Montreal, whereas Canada Cement has mills all over the Dominion, located at strategic points. The cement industry is only in its infancy to-day, and it would be almost impossible, I suppose, to exaggerate its possibilities.

It is only necessary to view the industry in the United States to see what a brilliant future is in store for it in Canada. As the Dominion has less than 10,000,000 of a population, and with the expansion which is bound to take place in the near future, and considering that cement in various forms enters into practically every kind of construction work, new uses for this material and its products should increase.

When the foregoing is considered, I certainly think that there is a wonderful future in store for the corporation. I make no pretense of being an expert in these lines, but looking at it merely from a business standpoint, it strikes me favorably.

Of course, in answering my question as to whether I should purchase or not, you will have to take into consideration the capitalization and assets in order to see what value is behind the common stock at $32. If the stock is a speculation, then I should not consider purchasing it, but on the other hand, if the stock has intrinsic value back of it, and if the company's prospects are such that the stock will increase in value from time to time, then I would certainly like to purchase it. I fully realize that this stock will perhaps take several years or more to manifest its real value, but the essential thing is to find out if it has real value behind it, and if the future of the industry warrants an optimistic view.

In closing, I might say that my idea in purchasing is to hold the stock permanently, and in time not only to get the regular dividends, but to participate in the stock dividends and bonuses which no doubt will be made, although one would have to wait several years or more.

We concur entirely with everything you say regarding the Canada Cement Company. But in your appraisal of the stock, we believe you have neglected one important point.

Only a month or two ago those who knew the company best, namely, the directors, sold the property at $250 a share. We are inclined to the belief that the price received for the property at that time, pretty well represented its real and actual value. But, the present market value of the common shares of the new Canada Cement Company places a value on the assets about 20 per cent. greater than the figure at which the old management sold the company so recently.

We are inclined to the belief that the price at which the old management sold the property places a more accurate value on the assets than does current market quotation for the common stock. Therefore, if you do not want to make a speculation, leave the common shares of the Canada Cement Company alone.

In our opinion, you have sized up the position of the company very ably. We have simply amplifed the remarks in your sixth paragraph regarding the value behind the common stock at $32 a share.

Inter. Pete

Please give me your views on International Petroleum and International Nickel.

International Petroleum and International Nickel are stocks which should be acquired for a comparatively long hold. Doubtless there will be fluctuations in the market value from time to time, but we do not think that the investor has much to worry about, if he does not carry the stocks on too slim a margin.

The oil distributing companies have excellent prospects and it is doubtful if the pending war between two of the major oil interests will affect the Canadian situation to any extent.

Zimmerknit

I am thinking of buying Zimmerknit. According to net earnings for year ended April 30, 1927, the common show earnings of $4.35 per share. Are they maintaining or bettering this, do you know? If so, do not they appear a good speculation at present price? Is the stock an active one?

Zimmerknit common is a speculative common stock which is not without its attraction. The company will absorb another company in the same line of business and the amalgamation probably will work out satisfactorily.

Conditions in the knit goods business are somewhat better, and it is believed that Zimmerknit is getting its share of the business. The stock is fairly active on the Toronto Exchange.

Brazilian Traction

Can you tell me what is holding back Brazilian Traction?

Brazilian Traction has risen very rapidly in market value in the last year and it is possible that in the next year the progress will be somewhat slower. However, it is understood that the company is doing excellently, and the split in the stock will tend rather to increase its popularity than otherwise.

In our opinion Brazilian Traction is one of those common stocks which should be held for a term of years in order to profit to the utmost from the favorable conditions that have been developed since the war.

Brazil is prosperous and is reasonably well governed. The prospect of political turmoils is remote and the stabilization of the currency will have a general, beneficial effect which offsets the fact that the stabilization mark is somewhat lower than could have been desired by this company.

The smaller the market value of the stock, the more popular it is, because more people can afford to hold it, and because a one point gain on a $50 stock is two per cent., while a one point gain on a $200 stock is only one half per cent. of one per cent.

We have not heard any rumor of a split in Winnipeg Electric stock. It is not impossible that such is planned,

When Women Invest

One Who Would Do Well by Children is Worried About Possible Succession Duties

A WEEKLY FEATURE

I am a subscriber to your paper and depend altogether on information you give to others.

I wish to know how best to invest to avoid unnecessary succession duties and lawyers' fees at death. I have worked hard, and saved in order to provide for my old age and will hope to leave a little for my children. But in owning a share or two here and there in different parts of Canada and the United States, I am told the lawyer will get all I leave.

Duties on Bonds

Kindly make it plain how best to avoid this.

I own $1,700 in $100 6½ per cent. S. W. Straus & Co. bonds. Do you think it better to sell and buy common in Canadian industrial companies. If so, kindly recommend some that, in your opinion, will appreciate.

My holdings are:

$1,700 S. W. Straus & Co., bonds.
2 Northern Canada Power 6 per cent.
£100 Dominion Iron & Steel 1939 consolidated 5 per cent.
7 International Power preferred, 7 per cent. with bonus of common.
1 Ogilvie common.
9 Fraser common.
3 General Steel Ware preferred.
3 Jantzen Knitting Mills, with bonus of common.
6 Dr. A. W. Chase preferred.
$10,000 in first mortgages on real estate.
$10,000 life-insurance, twenty-pay life now in eleventh year.

I also am maintaining $500 government annuity for each of my children.

A great deal of my holdings were purchased before I ever had seen The Financial Post, as you will no doubt notice. They are not of your recommendation for a woman. But as I have them, what better can I do than hold and trust to the future for improvement?

Your letter really concerns a problem of a legal nature rather than one of an investment nature. While we think that you should perhaps discuss this with your lawyer, we have consulted various persons without divulging your identity and have reached the conclusion that the succession duties applicable to your estate will not be so very serious. Most of the provinces have reciprocal arrangements and the Saskatchewan tax on an estate of less than $20,000, going to near relatives would be one-half of one per cent. The first $10,000 of an estate is exempt from taxation and one per cent. is assessed on the other $10,000.

As regards securities held in the United States, it is necessary to point out that there are 48 varieties of inheritance tax laws in that country. In the main there are reciprocal arrangements in order to avert dual taxation of estates, but we are not in position to say if this invariably applies to alien non-residents. We would suggest that you write to issuing house, giving the name and location of the mortgage bonds you hold and ask them whether or not, in their opinion, these bonds would be taxable from an estate when the testator lived in Saskatchewan.

On the whole, we are inclined to think your holdings too speculative for a person in your position. The hundred pound Sterling bond of the Dominion Iron and Steel Co. is an unsatisfactory investment, although eventually there may be a return of principal and accrued interest. It is regrettable that you bought the Dr. A. W. Chase preferred. Although the dividend is being maintained, you have lost something of your principal. The General Steel Wares preferred stock probably will be satisfactory, but the company has been operating only on the new basis for such a short time that this stock hardly can be considered a seasoned investment.

If you have any funds for investment in the near future which you desire to put out to give a higher yield than is obtainable on government bonds, we would suggest the stock of Consumers' Gas Co., of Toronto. Standard common stocks which give a low yield, but which still have some chances of appreciating in value include Montreal Power, Shawinigan Water and Power, and City Dairy, Toronto. The chances of any material recession in the market values of these stocks are remote in our opinion.

C.N.R. Bonds

A lady, about sixty years of age, who holds 5,000 C.N.R. five per cent. 1954 bonds, has asked me to give her some assistance regarding a change of the above with a view to getting greater income. It can be sold for about 106¾. Can you suggest two or three securities which would give her a yield of about $350 per year, without involving her in any great risk?

You understand, of course, that no group of preferred stocks giving a higher yield than the C.N.R. bonds held by your friend will be as safe.

However, if a reasonable diversification of risk is achieved, there would seem to be little reason for concern over preferred stock investments of good character in the next ten years, when it is assumed this country will be prosperous.

We have drawn up a list of preferred stocks which, with $1,000 left in the C.N.R. bonds, will give a yield of $330 per year, or $20 less than the sum you stated as being desirable.

The list is as follows:

$1,000	C.N.R. 5%, 1954 yield.	$50.00
980	Russell Motor Car prfd. 7%	70.00
515	Hamilton Dairy prfd. 7%	35.00
920	Canadian Canners prfd. 6%	60.00
1,030	Famous Players Corp. 1 prfd. 8%	80.00
550	Wpg. Electric prfd. 7%	35.00
		$330.00

You will observe that two of these preferred stocks are in the food industry, which is an essential industry. One of the preferred stocks is that of a public utility which is serving a growing community. Another preferred stock is that of a strong company in the steel and motor car industry. For further discussion of the merits of this stock we would refer you to page one of our issue of February 13th.

The most speculative of the preferred stocks probably is Famous Players Canadian Corp., for the reason that the theatres are well-patronized only when the country is prosperous. If we were due for any prolonged period of depression, this stock would not appear so attractive from the point of view of safety combined with high yield.

These stocks are readily marketable. If the holder is vigilant, he, or she, should be able to get out with little or no loss if economic or other conditions appears to presage a change for the worse.

To Holders of Securities

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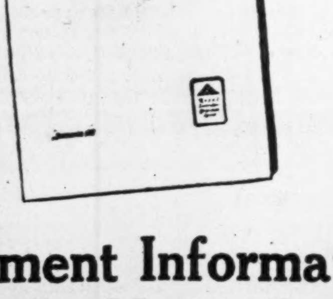

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Capital Paid-up .... $ 7,000,000
Reserve Fund 7,500,000
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Denominations: $1,000 and $500.

The business of Canada Cement Company, Limited, has been in operation since 1909 and has fully demonstrated strong earning power. Its bonds are well secured by assets and offer an attractive investment opportunity.

Price: 103.75 and interest, yielding about 5.20%

Full particulars will be gladly furnished upon request.

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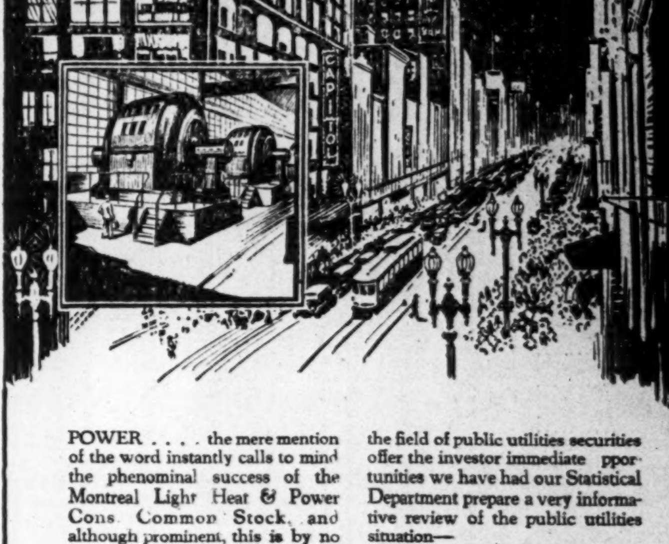

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INSURANCE EXCHANGE BLDG., MONTREAL
MAin 0321 & 2203.

CANADIAN STOCK AND BOND QUOTATIONS

Stock Market Record

WEEK ENDING JANUARY 24

	Div. Rate	Yield Jan. 23	High for wk.	Low for wk.	Close Jan. 24	Close Jan. 17	Sales for wk.	Range, 1928 High	Low
Banks—									
Commerce	12+1	4.62	281½	280	281½	280	269	285	277
Dominion	12+1	4.90	265	262	265	261	104	265	261
Can. Nationale	10	5.34	187	187	187	188	46	190	186
Imperial	12+1	5.26	248	246½	247½	246½	89	250	246
Montreal	12+2	4.12	340	334	340	336	293	347	334
Nova Scotia	16	4.16	385	375	375	387	96	390	375
Royal	12+2	4.08	343	330	340½	340½	244	351	330
Standard	12	4.89	245	241	245	243	387	250	236
Toronto	12+1	4.36	303	296	298	299	298	306	280
Paper—									
Abitibi, com. (no par)	5	3.04	164	149	162	149	21063	164	140
Do. pref.	7	5.49	..	...	...	...	...	127½	127½
Belgo, Can., pref.	7	6.36	110	108	110	109	386	110	106
Brompton (no par)	$2	3.15	65	55½	64	56½	19655	65	51
Fraser, com.	.	...	63	58	60	...	9142	63	58
Do. pref.	7	4.00	184	170	170	175	197	184	132⅝
Int. Pap., c. (no par)	$2.40	3.20	76¼	67⅝	74⅝	67¾	51500	76¼	67⅛
Do. pref.	7	6.66	107⅜	105	105	107¼	51	107½	105
Laurentide	6	4.47	134	130	132	130½	30471	134	114
Port Alf. P., c. (n.p.)	.	...	120	112	120	111½	1620	120	95
Do. pref.	7	6.57	107	106	106½	105	616	107	102
Price Bros., com.	2	2.22	92½	89	92½	90	415	94	78
Do. pref.	6½	6.19	105½	105	105	105⅝	180	105⅝	103
Smith, Howard, com.	.	...	86	81	86	82½	1110	87	71
Do. pref.	8	6.95	117	115	117	116	20	117	115
Span. River, com.	7	4.37	162	150	162	144½	4275	162	135
Do. pref.	7	5.00	148	136	139½	143	3114	152	136
St. Maur. V., c. (n.p.)	.	...	99	87	97	88½	10601	99	72½
Do. pref.	7	6.66	105	103	105	103¼	96	105	101½
Wayagamack (no par)	$3	2.54	118	115	118	115½	4410	118	106
Steel and Steel Industries—									
B.E. Steel, com.	.	...	3½	3	3½	2⅝	3515	3¾	1
Do. 1st pref.	.	...	37	33	36¾	35	475	37	22
Do. 2nd pref.	.	...	6	5	6	6½	2504	6½	3½
Can. Car & Found., c.	.	...	48	47½	47½	48	825	49	46½
Do. pref.	7	7.48	93¾	92½	93½	93	590	94¼	90
Can. Fairbanks, pref.	6+3†	5.82	..	...	...	...	...	103	103
Can. Forgings, com.	.	...	20	15	19	17	100	20	15
Do. pref.	5†	...	65	65	65	66	40	68	65
C.G.E., com. (par $50)	.	...	..	...	...	...	...	70½	70½
Do. pref. (par $50)	7	5.73	62	60⅛	61	61	58	62½	60⅛
Canada Iron, com.	.	...	..	...	...	...	...	x28	12
Do. pref.	4	5.33	75	75	75	70	25	75	60½
Can. Locomotive, com.	.	...	..	...	...	...	...	x48	25
Do. pref.	7	9.21	76	76	76	75	10	76	75
Dominion Bridge	$2.60	3.71	73	69½	70¼	72½	10619	74¾	69½
Do. Rights	.	...	2¼	2	2⅛	...	27592	2¼	2
Dominion Coal	.	...	83	80	83	80	212	83	75
Dominion Iron, pref.	.	...	..	...	...	...	...	5	5
Dom. Steel Corp., pref.	.	...	55	52	55	50	235	55	44½
East. Steel Prod. (n.p.)	.	...	29	28	28	28½	85	30	23
Do. pref.	7	7.10	98½	98½	98½	98	20	99	97¼
Ford Motor	15	...	..	...	...	...	...	x475	486
Gould Pumps, pref.	7	...	..	...	...	...	...	x100	100
Kelvinator, c. (no par)	.	...	6	5	6	6	55	6¼	5
Do. pref.	7	10.60	66	66	66	66	10	68½	65
Massey-Har., c. (n.p.)	.	...	47	41	46¾	42	104980	47	39½
Do. pref.	7	6.42	109	108½	109	108¾	447	109¼	108½
McKin. Ind., c. (n.p.)	.	...	29	28½	28½	29	74	29½	27¾
Do. pref.	7	7.07	99	98½	99	98	70	99	97½
Do. Vot. Trust	.	...	29	28	28	28	705	29½	26
Ontario Steel	6	5.00	..	...	...	...	...	x120	73
Do. pref.	7	6.25	..	...	...	...	...	x115	100
Page Hersey, c. (n.p.)	$3	2.77	108	94	103	95	26997	108	85
Do. pref.	7	3.30	212	188	207	190	445	212	171
Pressed Metals, com.	$3	5.55	54	53	54	56	180	58	50
Do. pref.	7	7.60	95	95	95	92	10	95	95
Russell Motor, com.	4	6.95	..	...	...	...	...	60	57½
Do. pref.	7	7.00	100⅛	98¼	100⅛	99	50	100⅛	98
Steel of Canada, com.	7	3.80	185¾	183	183¼	183	1195	188	182
Do. pref.	7	4.00	176	173	175	175¼	54	179¾	173
Milling, Foodstuffs and Merchandising—									
Alta. P. Gr., c. (n.p.)	.	...	62⅛	58½	62¼	59¾	13388	62⅛	51
Do. pref.	7	7.10	99	97	98½	97½	4005	99	96½
Arnolds, c. (no par)	.	...	20	15	19	16	4223	20	15
Do. pref.	.	...	87	86	87	86	10	87	86
Atlan. Sug., c. (n.p.)	.	...	24	22	23	23	355	27½	15½
Do. pref.	.	...	81	80	80	82	50	85½	80
B.C. Fish., c. (n. p.)	$1.25	10.87	12	11	11	10½	855	12½	10
Do. pref.	7	11.29	65	60	60	61	175	66	60
Can. Bak., c. (no par)	.	...	40	37	40	38	370	40	37
Do. pref.	7	6.73	104⅝	104	104	104½	17	105	104
Can. Bread, c. (n.p.)	$6	3.63	170	165	165	165	20	170	155
Do. pref. (A)	7	5.98	118	117	118	116	30	118	115
Do. pref. (B)	7	6.42	109	106	108½	109	50	110	106
Can. Canners, c. (new)	.	...	20	19	19	20	1614	23	17
Do. 1st pref.	6	6.54	92½	91½	91½	92	540	94	91½
Do. 2nd pref.	60c	2.60	23¾	22	22½	23	4017	25	19
Canadian Salt	8	5.16	158	155	158	160	23	160	155
Christie Br., c. (n.p.)	$1.20	0.91	131½	116	128	117	3486	131½	86
City Dairy, c.	.	...	52	51	51½	52	995	59¼	
Do. pref.	7	5.76	121½	121½	121½	121	5	121½	121
Cuban Can. Sugar, c.	.	...	3	3	3	3	325	3	3
Do. pref.	.	...	..	...	...	...	...	28	28
Wm. Davies (A) (n.p.)	.	...	43½	43½	43½	43½	36	43½	43
Do. (B) (no par)	.	...	..	...	...	...	...	20	19
Dom. Stores (no par)	$2.40	2.05	118	108	116	109	3489	118	104½
Ham. Dairies, c. (n.p.)	.	...	49	45	49	49	95	50	45
Do. pref.	7	6.82	102½	102	102½	102½	25	103	102
Hunts, Ltd., c. (n.p.)	.	...	44	40	41	44	43	46	40
Do. pref.	7	7.00	100	100	100	100	30	101	100
Inter. Milling, pref.	7	6.42	109½	109	109	109	111	109½	107½
Lake of Woods, c.	12	7.01	171½	170	171	172	417	172½	167
Do. pref.	7	5.73	..	...	...	...	...	122	122
L. Secord, c. (no par)	.	...	42	38	42	40	330	42	37
Do. pref.	7	5.42	131	128	130	128	215	131	121
Loblaw, com. (no par)	$1	1.00	100	98½	100	99	1689	100½	93⅛
Do. pref.	7	4.00	175	158	170	158	304	175	134
Maple Leaf Mill., c.	.	...	127	125	127	125	150	128⅝	104
Do. pref.	7	6.36	110	108½	110	108	156	110⅛	103
Muirheads, c. (n.p.)	50c	3.61	14½	13⅞	13⅞	14½	281	15	13⅞
Do. pref. (par $10)	75c	5.35	14	14	14	16	26	17½	14
Nat. Grocers, pref.	8	8.08	99	98	98	98	139	99	98
Ogilvie Fl., c. (n.p.)	5+10	3.62	414	410	414	410	75	425	410
Do. pref.	7	4.89	143	143	143	140	80	143	135
Pure Gold Mfg. (n.p.)	$1.50	5.76	28	25	26	26	2466	28	22
Shred. W., c. (no par)	$3	4.00	75⅞	72	74	74	3085	78⅞	68¼
Stanfords, c. (no par)	$1	3.92	26	25½	25½	25	90	26	24
Do. pref.	7	7.44	94½	94½	94½	94	30	95	94
St. Law. Flour, c.	.	...	52¼	44	51½	43	3885	52¼	35
Do. pref.	7	7.95	..	...	...	...	...	88	86¼
Viau Bisc., c. (n.p.)	.	...	30	22	30	26½	5741	30	15
Do. pref.	7	7.91	88½	88	88	88	25	88½	85
W. Can. Fl., c. (n.p.)	$1.40	3.11	46	45	45	45¾	104	48	37½
Do. pref.	6½	6.19	105¼	105	105	105	20	106	105
W. Groc., c. (no par)	$1	5.00	20	20	20	20	58	20	19
Do. pref.	7	9.33	..	...	...	...	...	77	75
Utilities—									
Bell Telephone	8	5.00	160	157	158	160	298	164	154
Calgary Power	5	5.00	..	...	...	...	...	100	100
Consumers Gas	10	5.02	200	198	200	199	99	200	196
East Koot. Pr. (n.p.)	.	...	..	...	...	...	...	25	25
Do. pref.	7	7.07	..	...	...	...	...	99	99
Int. Util. (A) (n.p.)	$3.50	7.14	49	47¾	48½	48½	4550	51¼	47¾
Do. (B) (no par)	.	...	10	9⅛	10	9½	4635	10⅝	9⅛
Jamaica Pub. Ser., pf.	7	6.60	106	106	106	105	5	106	105
Laurentide Power	5	3.22	165	135	163	145	2155	165	135
Mackay, com.	7	6.03	118	115	116	116	217	119¼	114⅞
Do. pref.	4	5.73	70	69¼	70	69⅞	194	70	67½
Mexican Light, c.	.	...	65	65	65	65¼	10	67	65
Do. pref.	3½	...	79	79	79	77	25	80	77
Mont. L H & P (n.p.)	$2	2.12	94½	91½	93½	91	9071	94½	89
Mont. Teleg. (par $40)	8	6.03	..	...	...	...	...	53¼	53¼
Nor. Mex. Pr., c.	4	3.96	102	95	100½	96	1535	104	90
Do. pref.	7	7.03	..	...	...	...	...	99⅜	97
Ot. & H. Pr., c. (n.p.)	.	...	..	...	...	...	...	41	35
Do. pref.	7	7.07	99	99	99	99	110	100¾	99
Ott. L. H. & Pr., c.	6	4.47	134	134	134	134	21	134	134
Do. pref.	6½	6.07	107	107	107	109	55	109	106
Power Corp., c. (n.p.)	.	...	79¼	74	77	74	12431	79¼	70½
Do. pref.	6	5.97	100½	100	100½	100	93	100½	99
Quebec Power, c.	$2	2.22	90	88	89½	88	5273	92	86¾
Shawinigan (no par)	$2	2.15	93¼	90	92¼	89	22822	93¼	87
S. Can. Pr., c. (n.p.)	6	2.30	140	130	140	140	277	145	114
Do. pref.	6	5.60	107	105	107	106½	30	107½	105
Transportation—									
Can. Pacific Rly.	10	4.80	210	205	210	210	115	215	205
Can. Steam., c. (n.p.)	.	...	34	33	33¾	34	290	35	33
Do. pref.	6	6.70	90	89½	90	89½	1128	90¾	89
Do. voting	.	...	..	...	...	...	...	31	31
Tractions—									
Barcelona (par $50)	1	...	..	...	...	...	...	x68⅛	33½
Brazilian, c.	7	3.18	223¾	213⅛	222	215	28843	223¾	213⅛
Do. pref.	6	3.28	183	177	183	182¼	306	183	177
Detroit Un. Rly.	.	...	..	...	...	...	...	x5	1
Duluth-Superior	$2	10.00	..	...	...	...	...	22	20
Minneapolis S.S.	.	...	..	...	...	...	...	x43	42⅛
Mexican Trams.	.	...	..	...	...	...	..	x21	19¼
Montreal Trams.	10	5.12	195	190	195	200	11	200	190
Ottawa Traction	4+1	7.29	68½	68	68½	68	200	68½	68
Porto Rico Rlys., c.	$3	4.80	..	...	...	...	...	x70⅜	59
Do. pref.	7	7.07	99	99	99	98½	15	99	98½
Twin City, c.	4	8.16	50	47	48	49⅞	703	51	47
Do. pref.	7	6.71	..	...	...	...	...	104¼	104¼
Winnipeg Elec., c.	2	1.73	115	102	113	102½	25620	115	98
Do. pref.	7	6.42	109½	107	109	109	197	110	107
Textiles—									
Can. Conn. Cot., pref.	4	5.71	70	70	70	68	110	70	66
Can. Converters	7	6.73	105	104	105	105	622	105	101
Can. Cotton, com.	8	5.51	145	145	145	140	5	145	140
Do. pref.	6	5.94	102½	101	101	101½	57	102½	100
Can. Woollens, com.	.	...	16	16	16	14	60	16	14
Do. pref.	.	...	..	...	...	...	...	x89	59¾
Cosmos Imp., c. (n.p.)	.	...	24¼	22	22½	23	496	24¼	22
Do. pref.	7	7.00	100	99	100	99	50	100	99
Dom. Tex., c. (no par)	$5	3.75	133	130½	133	131	1176	133	130
Do. pref.	7	5.38	130	130	130	130	41	130	130
Monarch Knit., c.	.	...	..	...	...	...	...	x39½	7½
Do. pref.	.	...	48	45¾	45¾	48	20	48	45¾
Montreal Cottons, c.	6	5.21	115	115	115	115	20	115	115
Do. pref.	7	5.69	121	121	121	123	5	121	121
Penmans, c. (no par)	4	3.88	106	102	104	104¾	1435	106	100¼
Do. pref.	6	5.82	105	100	100	104	23	106¼	103
Wabasso Cot. (no par)	6	4.51	133	133	133	132	10	133	125
Zimmerknit (no par)	.	...	30	24	28	24¾	2235	30	23
Do. pref.	7	7.60	92	91	91	92	42	93	91
General Industrials—									
Am. Sales, c. (p. $20)	4	5.29	80	72	79	72	582	80	71
Do. pref.	7	6.27	111½	111	111	110½	208	111½	110
Asbestos Co., c. (n.p.)	.	...	34	32¾	33½	33½	3954	35	32¾
Do. pref.	7	7.44	93¾	92¼	93¼	92½	838	96	92¼
Brant Cd., p. (par $25)	8	12.50	16	15	16	15	36	16	15
Building Prod., com.	$1.20	3.11	38¾	34	38¾	36¾	5585	40½	33¾
Do. pref.	7	6.66	..	...	...	...	...	105	104
Burt, F. N., c. (p. $25)	$3	4.31	69½	67½	68	69¾	518	70	66½
Canada Cement, c.	.	...	33	31½	32	32	4815	33	31

A.J.Pattison,Jr.&Co.
LIMITED
INVESTMENT BANKERS
BONDS AND SHARES
"Specialists Unlisted Bonds and Stocks"
219 Bay Street, (Ground Floor)-Toronto Elgins 8101-8102-8103 8104-8105-8106

	Div. Rate	Yield Jan. 23	High for wk.	Low for wk.	Close Jan. 24	Close Jan. 17	Sales for wk.	Range, 1927-8 High	Low
Do. pref.	.	...	99	98	99	98½	2842	99	97½
Can. Bronze, c. (n.p.)	.	...	79½	75¾	78	76¾	1675	79½	67
Do. pref.	7	6.40	110	109¼	110	110½	58	110½	109¼
Conduits, c. (no par)	.	...	35	35	35	35	5	35	35
Do. pref.	7	6.86	102	102	102	102	10	102	101
C. Smelt. (par $25)	10+40	4.78	275	260	271	261	7843	275	251
Crow's Nest Coal	6	10.90	..	...	...	...	...	55	55
Dom. Glass, c.	7	5.20	135	133	133	134	531	135	128
Do. pref.	7	5.83	120	120	120	120	81	120⅝	120
Dom. Rubber, pref.	7	...	..	...	...	...	...	x75	75
E. Theat., c. (par $25)	$2	7.14	29	28½	28½	28	20	29	28½
Do. pref.	7	7.36	..	...	...	...	...	95	95
Famous Players, com.	.	...	83	49	82	50	1859	83	40
Do. pref.	8	7.61	105	104¾	105	104	140	105	102
Gilman, com.	6	5.50	109	109	109	107½	5	109	109
Do. pref.	7	5.69	123	120	123	116	20	123	115
Goodyear Tire, com.	$5	3.22	157	152	157	157	922	160	136
Do. pref.	7	6.54	107½	105	107½	107½	504	107½	104
Ham. Un. Theatres, c.	.	...	7	7	7	7	50	7	7
Do. pref.	7	8.53	82	82	82	82	5	82	82
Hayes Wheel, c. (n.p.)	.	...	28½	27	28	28½	435	31½	26¼
Do. pref.	7	7.14	98	98	98	100	10	100	98
Holt, Renfrew, c.	.	...	80	80	80	...	200	80	80
Do. pref.	7	7.60	92	92	92	94	5	94	92
Gotfred., c. (no par)	.	...	..	...	...	...	...	15	10
Int. Nic., c. (par $25)	$2	2.06	97¼	90¾	97	91½	69716	97¼	81½
King Edward Hotel	$2	3.50	57	52	57	52	177	58	50
Lyall Construction	.	...	..	...	...	...	...	47	47
Loew's, com.	.	...	..	...	...	...	...	40	40
Do. pref.	7	6.93	101	101	101	103	50	101	101
National Brick, com.	.	...	..	...	...	...	...	5	5
Do. pref.	6	8.21	74½	68	74½	68	910	74½	60
Pacific Burt, com.	6	4.44	136	125	135	123½	547	137	119½
Do. pref.	7	5.73	122	122	122	120	2	122	122
Port Hope San., com.	4	2.00	200	190	200	191	219	200	190
Do. pref.	7	6.03	..	...	...	...	...	x116	90
Rogers, Wm., com.	.	...	..	...	...	...	...	x80	61
Do. pref.	7	6.93	..	...	...	...	...	101½	100¼
Sher-Williams, com.	6	3.35	180	179	179	180	75	180	179
Do. pref.	7	5.46	128	128	128	129	5	129	125
Standard Chem., pref.	.	...	..	...	...	...	...	25	25
Sterling Coal	.	...	19	19	19	20	10	19	19
Tooke Bros., com.	.	...	..	...	...	...	...	20	18
Do. pref.	7	10.44	..	...	...	...	...	67	67
Tuckett Tobacco, c.	4	4.00	..	...	...	...	...	100	100
Do. pref.	7	5.98	117	117	117	117	75	118	116
Woods Mfg., com.	.	...	..	...	...	...	...	x46	39
Do. pref.	7	8.75	..	...	...	...	...	x89	75
Beverage—									
Brading Brew. (n.p.)	$2	7.70	..	...	...	...	...	x35½	20
Brew. & Distil. (p. $5)	5	1.46	17½	16	17¼	17	265	18	16
Can. Brew. (no par)	$2	5.55	36½	34¼	36	35	4900	38½	34¼
C. Ind. Alc. (no par)	$1.52	3.89	40	36¾	39½	37¼	10140	40	36¼
Can. Malting (no par)	.	...	40¾	36¾	40	36¾	21555	40¾	35⅞
Carling Brew. (n. p.)	$2	4.87	44	38	42½	38½	11460	44	37½
Com. Alcohol (no par)	$1	2.56	39½	33	38½	32½	4815	39½	25
Do. pref.	8	7.61	..	...	...	...	...	x110	103
Cosgrave B. (par $10)	6	6.66	9½	8¼	9	9	1070	9½	8¼
Chas. Gurd, c. (no par)	$2	1.94	105	93	103½	95	9623	105	93
Do. pref.	7	6.54	107	107	107	107	50	107	106
Hiram Walker (n.p.)	$2	2.96	67¾	63¾	67	64⅞	14421	69	63¾
Lake Ont. Br. (n.p.)	$2	8.70	24	23	24	24	160	25	23
Nat. Brew., c. (n.p.)	4	3.37	118½	113	118	115	13986	118½	112½
Do. pref.	7	5.71	122½	122½	122½	123	25	124½	105
Nat. Distilleries	.	...	20	18½	19	19	280	20¾	18½
Seagram (no par)	.	...	26	24½	25½	25¼	9590	26¾	24½
Toronto Brew. (n.p.)	.	...	9¾	9½	9½	9¾	60	9¾	9½
Oil—									
Ajax	.	...	63	45	45	62	16900	80	45
B.C. Oilfields (par $5)	.	...	..	...	...	...	...	x2¾	2
Beacon Oil	.	...	17	15	15	17	45	17½	15
Br. Am. Oil (n.p.)	80+20c	2.55	39½	37	38¾	38	31026	40½	37
Can. Oil, c. (no par)	$1	1.70	60	53	58½	53	2722	62¼	44
Do. pref.	8	5.51	145	145	145	145	60	170	135
Continental Oil	$1	4.54	..	...	...	...	...	22	22
Foothills Oil	.	...	2.58	2.25	2.25	2.40	150	2.58	2.25
Frontenac Oil	.	...	32½	31	32	33	2717	34	30¼
Imperial Oil (n.p.)	$1.50	2.37	63¼	60⅜	63	61½	10874	65¼	59
Int. Pete. (no par)	75c	1.80	42	38	41	40¼	30964	44	36¾
McColl.-Fron.	.	...	33	31⅝	32¼	33	12432	33¾	31⅝
Do. pref.	.	...	89	89	89	...	25	89	89
North Star, c. (p. $5)	.	...	2.65	2.65	2.65	2.65	200	2.75	2.50
Do. pref. (par $5)	7	...	5.10	5.10	5.10	5.25	20	6.50	5.10
Petrol Oil	.	...	18	17	18	17	4800	21⅞	17
Supertest. Pet., c.	50+50c	1.06	96	93	93	96	195	96	70
Do. pref.	7	7.14	98	98	98	98	10	99	97
Trojan Oil	.	...	..	...	...	...	...	x8.60	4.00
Venezuel. Pet. (p. $5)	.	...	..	...	...	...	...	x7½	6½
Volcanic Oil	$1.40	4.37	35	30	35	29	1207	35	29
Vacuum Gas	.	...	10	9	9⅞	10	3800	12½	9
Trust and Loan—									
Can. Permanent	12	5.12	234	234	234	231	27	234	230½
Col. Invest. (par $10)	6	...	4	4	4	5	14	5	4
Econ. Invest. (p. $50)	4	3.39	59	59	59	59¾	25	59¾	58
Huron & Erie	7+½	4.93	..	...	...	...	...	152	152
Landed Banking	10	4.87	205	200	200	200	18	205	200
Mont. Loan (par $50)	12+1	6.76	..	...	...	...	...	x52¾	47
National Trust	12+1	4.56	..	...	...	...	...	x285	232
Ont. Loan (par $50)	12	5.00	..	...	...	...	...	x120	111
Real Estate Loan	7	6.54	..	...	...	...	...	x107	100
Toronto Gen. Trusts	12	4.31	..	...	...	...	...	278	275
Toronto Mge. (p. $50)	10+1	4.82	..	...	...	...	...	114	114
Union Trust	7+1	5.92	135	135	135	135	97	135	135
CURB AND UNLISTED MARKETS									
Asch, com. (no par)	.	...	25	24½	25	30	75	30	24½
Do. pref.	.	...	92¾	90	92¾	92	145	93	90
Attendu Eng. (par $1)	.	...	21	12½	16	12½	5917	21	12
Belding, com.	6	6.52	92	90	92	85	150	92	80
Do. pref.	7	7.07	..	...	...	...	...	x100	96½
Can. Celanese (n.p.)	.	...	74	73	73	74¾	66	78	73
Do. pref.	.	...	100	99	99	99	360	103½	98
Can. Light & Power	.	...	48	48	48	44	5	49	43
Can. N. P., c. (n.p.)	.	...	70	70	70	70	2	71	65
Do. pref.	7	6.86	102½	101½	102	102	25	102½	100
Cockshutt, com.	.	...	22⅞	21⅞	21⅞	...	175	22⅞	21⅞
Do. pref.	4	2.89	143½	112	141	112	24333	143½	105¾
Cooksville Sh. Brick, c.	.	...	..	...	...	...	...	x14	10⅜
Do. pref.	4	...	..	...	...	...	...	x55	50½
Dom. Engineering	$2.60	4.20	64	62	62	62½	880	65	52
Do. Rights	.	...	115	100	115	...	537	115	100
Dom. Power, pref.	7	6.93	..	...	...	...	...	x102	100
Dryden Paper (no par)	.	...	46¼	37	43½	37	24203	46¼	33
E. Dairies, c. (n.p.)	.	...	55	53½	53½	54	566	55	52½
Do. pref.	7	7.00	100	100	100	99½	5	100	99
Eng. Elec., c. (no par)	.	...	20½	18	20½	11	127	20½	11
Do. pref.	.	...	110	81	110	80	288	110	75
Farm. Dairy, c. (new)	.	...	27	25½	26	27	820	27	24½
Do. pref.	7	...	..	...	...	...	...	110	110
For. Pr. Secs. (no par)	.	...	48⅞	42½	47½	43¾	6515	48⅞	38½
Illinois Power, pref.	7	6.89	..	...	...	...	...	101½	100½
Imp. Tob., c. (par $5)	6+2	4.00	10½	9⅞	10¼	10½	27778	10⅜	9¼
Inter. Power, com.	.	...	43	42½	43	43	795	43¼	40
Do. pref.	7	7.00	100	98	99¾	98½	825	100	97
Kemsley Milburn	.	...	17½	16¾	17¼	17½	565	17⅝	15⅝
Loew's London, com.	3	...	..	...	...	...	...	5¾	5¾
Man. Power (no par)	$2	2.00	100	93	98	92½	2224	100	85
Mitchell, J. S., c.	.	...	41½	38	39½	39½	331	41½	38
Do. pref.	7	7.03	..	...	...	...	...	99½	99½
Mount Royal, com.	.	...	..	...	...	...	...	x6	3
Do. pref.	6	...	..	...	...	...	...	x55¾	40
Municipal Service	.	...	15	11	12½	...	5580	15	11
North. Bak. (no par)	.	...	47	45	47	45	16601	47	42½
N.S. Car, c. (no par)	.	...	44	42	43	44	2506	45	39
Ott. Mtl. Pr., c. (n.p.)	.	...	..	...	...	...	...	x25	19
Do. pref. (par $50)	7	...	..	...	...	...	...	x53⅜	47
Ott. Riv. Pr. (no par)	.	...	25	25	25	26	3	25	25
Paton Mfg., (no par)	.	...	..	...	...	...	...	55	55
Do. pref.	.	...	..	...	...	...	...	103	103
Perfection Glass	.	...	8¾	3¼	5¾	3⅛	14881	8¾	3⅛
Photo Eng. (no par)	.	...	41¼	36½	41	37½	4660	41¼	33
E. L. Ruddy, pref.	7	7.00	..	...	...	...	...	101	100
Service Stn. Equip.	$1.60	3.55	47	42	46¾	42	10010	47	37½
St. Maur. Power	4	2.16	185	176	182½	175	1816	185	170
Simpson, Robt., pref.	6	5.82	103	103	103	102½	20	103	102½
Sover. Secs. (par $5)	.	...	..	...	...	...	...	x2.00	1.50
St. Law. Pap., c. (n.p.)	.	...	110	104	108	106½	4765	110	100
Do. pref.	8	6.78	118	118	118	120	13	120	116
Standard Clay	.	...	..	...	...	...	...	x40	38
United Secs., com.	.	...	..	...	...	...	...	64½	64
Do. pref.	6	5.74	104¾	104	104¾	104½	129	105	104
Wallace Sand	.	...	..	...	...	...	...	x3	2¼
Wolthausen (no par)	.	...	..	...	...	...	...	x25	20

†Arrears.
xQuotations for 1927. No sales recorded in 1928 to date.

Bond Movement of the Week

Week ending January 24

Bonds	Int. Rate	Due	Yield	Range 1927 High	Low	Range 1928 High	Low	Ask	Latest Price Bid	High	Low
Asbestos, gen. mtge.	6	1956	6.11	98	88	98⅝	97½	99½	99	98⅝	...
Do., 1st mtge.	6	1941	5.63	102⅝	99	103¼	103¼	103¼	102⅜	103½	...
Can. Canners	6	1950	5.86	102	96½	102	101½	102	101½	101¾	101½
Mexican L. & Pr.	5	1940	7.26	80⅛	68⅝	81¼	81¼	...	80	81¼	...
Montreal Tram "A"	5	1955	4.86	100	94¼	101½	99¾	102¼	101⅛	102	101
Do., 1st mtge.	5	1941	4.67	101	96⅞	103¼	103¼	103¼	102	104¼	...
Quebec Rly.	5	1939	4.83	101½	96	101½	101	101½	101⅜	101½	101
Wabasso	6	1947	5.74	103½	100⅜	103½	103	...	103½	103	...
War Loan	5	1931	4.12	102.70	100.10	102.70	102.20	102.80	102.55	102.50	102.20
Do.	5	1937	4.13	106.75	102.95	106.70	106.20	106.60	106.30	106.25	...
Victory Loan	5½	1933	4.35	106.55	103.35	106.50	105.85	106.25	106.00	106.20	105.85
Do.	5½	1934	4.53	105.55	102.80	105.85	105.10	105.80	105.65	105.75	105.40
Do.	5½	1937	4.05	111.15	106.85	110.95	110.80	110.70	110.40	110.70	110.30
Do., renewal	5½	1932	4.50	104.10	101.85	104.45	104.00	104.45	104.20	104.45	104.05
Do., refund	5	1928	4.50	101.50	99.75	100.60	100.15	100.70	100.45	100.40	100.15
Do., refund	4½	1940	4.30	103.40	96.50	102.65	102.35	102.65	102.40	102.50	102.45
Do., refund	5	1943	4.45	106.40	102.30	106.00	105.15	106.20	105.95	105.80	105.65
Do., refund	4½	1944	4.27	103.00	96.60	102.90	102.40	102.85	102.60	102.60	102.40
Do., refund	4½	1946	4.28	102.70	96.70	102.95	102.70	103.00	102.75	102.85	...

Dividends Declared

	Rate	Date	Record
Christie Brown, com.	30c	Feb. 1	Jan. 15
Do. pref.	1¾%	Feb. 1	Jan. 20
Steel of Can., com.	1¾%	Feb. 1	Jan. 7
Do. pfd.	1¾%	Feb. 1	Jan. 7
Teck Hughes	10+5	Feb. 1	Jan. 17
East. Theatres, pfd.	3½%	Jan. 31	Dec. 31
Russell Motor, com.	4%	Feb. 1	Dec. 31
Do. pref.	1¾%	Feb. 1	Dec. 31
Montreal, L. H.	50c.	Jan. 31	Dec. 31
So Canada Power, c.	$1	Feb. 15	Jan. 31
Imperial Bank	3%	Feb. 1	Jan. 16
Penmans, com.	$1	Feb. 15	Feb. 6
Do. pref.	1½%	Feb. 1	Jan. 31
Standard Bank	3%	Feb. 1	Jan. 16
Belding Cort., c.	3%	Feb. 1	Jan. 14
Inter. Paper, c.	60c.	Feb. 15	Feb. 1
Brazilian Tr.	1¾%	Mar. 1	Jan. 31
Stanfords, 1 & 2 pfd.	1¾%	Feb. 1	Jan. 16
Can. Bronze, pfd.	$1.75	Feb. 1	Jan. 20
Zimmerknit, pfd.	1¾%	Feb. 1	Jan. 25
Gen. Steel Wares, pfd.	1¾%	Feb. 1	Jan. 15
Amer. Salesbook, pf.	1¾%	Feb. 1	Jan. 31
Wright-Har.	5c.	Feb. 1	Jan. 17
Int. Nickel, pfd.	1½%	Feb. 1	Jan. 19
East. Theat., c.	50c.	Mar. 1	Jan. 31
Para. Osh. Theat., pf.	1¾%	Feb. 15	Jan. 31
Massey-Harris, pfd.	1¾%	Feb. 15	Jan. 31
Bank of Toronto	3%	Mar. 1	Feb. 15
Royal Bank	3%	Mar. 1	Jan. 31
Dom. Engineering	65c.	Apr. 14	Mar. 31
Dom. Bridge	65c.	Feb. 15	Jan. 31
Capital Trust	5%	Mar. 1	Dec. 31
A. W. Chase, pref.	2%	Feb. 10	Jan. 31
Famous Players, pfd.	$2	Mar. 1	Jan. 31
McIntyre	5%	Mar. 1	Feb. 1
Barcelona Tr., c.	1%	Feb. 10	Jan. 31
Do., pref.	1%	Feb. 10	Jan. 31
Ont. Steel, com.	1½%	Feb. 15	Jan. 31
Do., no par	37½c.	Feb. 15	Jan. 31
Do., pref.	1¾%	Feb. 15	Jan. 31
Bank of Montreal	3%	Mar. 1	Jan. 31
Lake of Woods, c.	3%	Mar. 1	Feb. 15
Do., pref.	1¾%	Mar. 1	Feb. 15
Crow's Nest	1½%	Mar. 1	Feb. 10
Bank of Commerce	3%	Mar. 1	Feb. 14
Can. Oil, com.	25c.	Feb. 15	Feb. 1
Do., pref.	2%	Apr. 1	Mar. 20
Mtge. Corp. N.S.	1½%	Feb. 1	......

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Stock Market

MARKET INDICATOR

20 Industrial Stocks	High	Low
Week of Jan. 25	113.1	108.1
Week of Jan. 18	110.7	105.9
Month of Jan., 1927	84.2	79.8
9 Bank Stocks		
Week of Jan. 25	$288	$284
Week of Jan. 18	292	284
Month of Jan., 1927	242	230
10 Public Utilities		
Week of Jan 25	$115	$111
Week of Jan. 18	114	110
Month of Jan., 1927	91	85

WEEK'S GAINS AND LOSSES

	Gains	Losses	Unch.	Total
Banks	5	3	1	9
Paper	15	4	1	20
Steel	17	9	15	41
Foodstuffs	22	13	21	56
Utilities	14	3	13	30
Tractions	5	2	8	15
Textiles	7	4	8	19
Industrials	17	11	27	55
Total	102	49	94	245

Public Utility Earnings

Cape Breton Electric

November, 1927—	
Gross earnings	$57,025
Oper. exp. and taxes	43,803
Net earnings	$13,222
Interest charges	5,574
Balance (for reserves, retirements and dividends)	$ 7,647

BUFFALO QUOTATIONS

Bonds	Bid	Asked
Bfo.-Ft. Erie Bridge 7s, '55	108¼	...
Do., 8s '45	108	...
Buff. Gen. Elec. 1st 5s, '39	104¾	...
Bfo. N. & E. Pow. 5s, '30	103	104
Lockport L. H. & P. 5½s, '54	102½	104

NEW YORK CURB

	Close Dec. 28	Close Jan. 18	Close Jan. 25
Brit. Amer. Oil	37	38	..
Bunker Hill	..	141½	155
Can. Marconi	3 7-16	3½	3½
Dom. Stores	..	109	117¼
Ford Canada	575	515	527
Imp. Oil Can.	59¼	61	61⅛
Inter. Petrol.	39¼	39¼	39⅜
Inter. Util. "A"	..	48¾	48⅜
Do., "B"	9⅛	9⅝	9⅜
Nipissing	6	5¾	5¾
Noranda	..	21⅞	22
Premier Gold	2¼	2⅝	3⅛

Reports that the salmon fisheries of British Columbia are being depleted are not justified, says Major J. A. Motherwell, chief inspector of fisheries for the Dominion. The pack of 1,306,000 cases for 1927 was a fair average pack, he said.

The Investor—
Published monthly and sent gratis to interested inquirers by
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Foreign Exchange

NEW YORK FUNDS

	High (Premium)	Low (Premium)	Last year High (Premium)	Last year Low (Premium)
Jan. 19	13-64	3-16	11-64	5-32
Jan. 20	13-64	3-16	5-32	5-32
Jan. 21	3-16	3-16	5-32	5-32
Jan. 23	3-16	3-16	5-32	5-32
Jan. 24	3-16	5-32	5-32	5-32
Jan. 25	5-32	9-64	5-32	5-32

STERLING, FRANCS AND LIRE

	Sterling Close	Francs Close	Lire Close
Jan. 19	4.87 5-16	3.93	5.28 3-4
Jan. 20	4.87	3.95 3-4	5.28 5-8
Jan. 21	4.87 1-8	3.92 7-8	5.28 3-4
Jan. 23	4.87 1-8	3.92 7-8	5.29
Jan. 24	4.87 3-16	3.93	5.29
Jan. 25	4.87 1-8	3.92 7-8	5.29

FOREIGN EXCHANGE

Par		Jan. 18	Jan. 25
13.90	Italian	5.30	5.30
23.82	German	23.87	23.88
19.30	Belgium	13.97	13.96
84.85	Japan	46.92	47.00

Gundy and Bradshaw N.A.L.A. Co. Board

It was announced this week by W. B. Taylor, president and managing director of the North American Life Assurance Company, that J. H. Gundy and Thomas Bradshaw will be added to the board of directors, and there will be other additions to the board from among the policy-holders. Mr. Taylor intimated that he intends to retire from his offices.

The present officers of the company, in addition to Mr. Taylor, are: W. K. George, C. W. I. Woodland, Frank A. Rolph, A. C. McMaster, Hon. G. S. Henry, and H. H. Ardagh of Newcastle.

It is understood that Messrs. Gundy and Brandshaw are acquiring a large stock interest in the company.

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NEW ISSUE

$2,500,000

Canadian Power and Paper Investments
LIMITED

5% Thirty-year Debentures
Series "A"

Dated February 1st, 1928. Due February 1st, 1958.
Principal and semi-annual interest (February 1st and August 1st) payable at the option of the holder at any Branch of The Royal Bank of Canada in Canada in Canadian Gold Coin, or, at the Agency of the said Bank in the City of New York in United States Gold Coin, or in Sterling at the Branch of the said Bank in London, England, at the fixed rate of $4.86 2/3 to the £ Sterling. Coupon debentures in denominations of $1,000, $500 and $100 with privilege of registration as to principal only. Callable in whole or in part at the option of the Company on any interest payment date on thirty days' notice at 105 and accrued interest at any time after February 1st, 1932.

Trustee: MONTREAL TRUST COMPANY, MONTREAL

CAPITALIZATION
(On completion of present financing)

	Authorized	Issued and to be Issued
5% Thirty-year Debentures (this issue)	....	$2,500,000 (Series "A")
6% Non-Cumulative Convertible Preferred Stock $50 par value (25,000 Shs.)	$1,250,000	$1,250,000
Common Stock (no par value)	100,000 shs.	75,000 shs.

BUSINESS: Canadian Power and Paper Investments, Limited, was incorporated in 1923 under the laws of the Dominion of Canada and was organized primarily to invest in selected securities of hydro-electric, public utility, and paper companies. Pending the acquisition of such securities the Company may temporarily employ its funds by diversified investments in high-grade bonds or stocks. The powers conferred upon the Company by its charter and by its by-laws have been designed to allow the management as great a degree of freedom of operation as is consistent with conservative financial practice.

PURPOSE OF ISSUE: The proceeds of the sale of these Debentures will be used for the acquisition of securities of hydro-electric, public utility and paper companies, but temporarily may be invested in other high-grade bonds and dividend-paying stocks.

ASSETS: The net assets of the Company on completion of this financing will consist entirely of cash, call loans and investments having a conservative value at to-day's market prices in excess of $4,000,000. Among other holdings the Company will own a substantial interest in the Bathurst Power & Paper Company, Limited.

EARNINGS: The income of the Company will be derived from the interest and dividends received from its investments to which may be added from time to time such profits as may accrue by reason of the sale of some part of the Company's assets or investments. The interest and dividends on the securities already acquired and to be acquired and interest from call loans will be more than sufficient to pay the interest on these Debentures. As dividends upon the investments of the Company are increased and as additional interests in other securities are acquired there should be a reasonable surplus available for distribution on the junior securities.

COVENANTS OF THE COMPANY: The Company covenants that it will not issue any securities to rank ahead of these Debentures. Additional Debentures may be issued from time to time provided that the par value of the debentures issued and those proposed to be issued does not exceed 50% of the market value of the net assets of the Company at the time of such issue, and then only providing that the net earnings for the preceding twelve months are at least equivalent to one and one-half times the annual interest requirements on all debentures outstanding and on those proposed to be issued.

MANAGEMENT: The management of the Company and the investment of its funds will be under the supervision of an executive committee composed of Messrs. A. J. Nesbitt, J. B. Woodyatt and P. A. Thomson who act in similar capacities for Power Corporation of Canada, Limited.

All orders will be received subject to the approval of the proceedings by Counsel and to the issue and sale of the Debentures as planned. The right is reserved to reject any application and also, in any case, to allot a smaller amount than applied for.

These Debentures are offered as, if and when issued, and received by us, subject to prior sale and the conditions stated above, at the price of:—

$100 and accrued interest to yield 5%

Carrying a bonus of 10 shares no par value Common with each $1,000 Debenture.

NESBITT, THOMSON & COMPANY
LIMITED
Royal Bank Building, TORONTO, 2
Montreal Quebec Ottawa Hamilton London, Ont.
Winnipeg Saskatoon Vancouver

Statements contained in this circular are not guaranteed but are based upon information which we believe to be reliable and upon which we acted in purchasing these securities.

THE DOMINION BANK

Head Office, Toronto

The Statement of the Bank for the twelve months ended December 31st, 1927, indicates substantial progress.

Deposits increased by - -	$10,000,000
Liquid Assets increased by	10,000,000
Total Assets increased by -	14,000,000

Fifty-seventh Annual Statement

The Fifty-seventh Annual General Meeting of The Dominion Bank was held at the Head Office in Toronto, on Wednesday, January 25th, 1928, at which the following statement of the Profit and Loss Account and the Liabilities and Assets of the Bank as on December 31st, 1927, was presented:—

PROFIT AND LOSS ACCOUNT

Balance of Profit and Loss Account, 31st December, 1926		$ 1,032,554 92
Profits for the year, after deducting charges of management, interest accrued on deposits and making full provision for all doubtful assets		1,328,496 40
		$ 2,361,051 32
Which amount has been disposed of as follows:		
Dividends (quarterly) at Twelve per cent. per annum	$ 720,000 00	
Bonus, One per cent	60,000 00	
Total Distribution to Shareholders of Thirteen per cent. for the year		$ 780,000 00
Contribution to Officers' Pension Fund	$ 45,000 00	
Dominion and Provincial Government Taxation	165,526 87	
Written off Bank Premises	250,000 00	
		460,526 87
Transferred to Reserve Fund		1,000,000 00
Balance of Profit and Loss Account carried forward		120,524 45
		$ 2,361,051 32

RESERVE FUND

Balance at credit of account 31st December, 1926	$ 7,000,000 00
Transferred from Profit and Loss Account	1,000,000 00
	$ 8,000,000 00

GENERAL STATEMENT
LIABILITIES

Capital Stock paid in			$ 6,000,000 00
Reserve Fund		$ 8,000,000 00	
Balance of Profit and Loss Account carried forward		120,524 45	
Dividend No. 181, payable 3rd January, 1928		180,000 00	
Bonus, one per cent., payable 3rd January, 1928		60,000 00	
Former Dividends unclaimed		2,106 00	
			8,362,630 45
Total Liabilities to the Shareholders			$ 14,362,630 45
Notes of the Bank in Circulation		$ 7,344,817 00	
Deposits not bearing interest	$21,857,656 95		
Deposits bearing interest, including interest accrued to date	86,899,262 98		
		108,756,919 93	
Balances due to other Banks in Canada		2,199,987 74	
Balances due to Banks and Banking Correspondents elsewhere than in Canada		2,924,818 09	
Bills Payable		17,568 00	
Liabilities not included in the foregoing		635,915 02	
			122,380,025 78
Letters of Credit Outstanding			4,740,097 49
			$141,482,753 72

ASSETS

Gold and Silver Coin, current	$ 2,167,598 62	
Dominion Government Notes	9,655,061 81	
Deposit in the Central Gold Reserves	1,900,000 00	
Notes of other Banks	1,251,590 00	
United States and other Foreign Currencies	151,313 11	
Cheques on other Banks	8,046,539 01	
Balances due by other Banks in Canada	1,964 00	
Balances due by Banks and Banking Correspondents elsewhere than in Canada	3,478,017 66	
	$ 26,652,084 21	
Dominion and Provincial Government Securities, not exceeding market value	14,970,048 05	
Canadian Municipal Securities, and British, Foreign and Colonial Public Securities other than Canadian, not exceeding market value	4,313,374 26	
Railway and other Bonds, Debentures and Stocks, not exceeding market value	2,266,311 14	
Call and Short (not exceeding thirty days) Loans in Canada on Stocks, Debentures and Bonds and other Securities of a sufficient marketable value to cover	15,688,105 35	
Call and Short (not exceeding thirty days) Loans elsewhere than in Canada on Stocks, Debentures and Bonds and other Securities of a sufficient marketable value to cover	5,886,430 85	
		$ 69,776,353 86
Other Current Loans and Discounts in Canada (less rebate of interest) after making full provision for all bad and doubtful debts	$ 59,235,617 13	
Other Current Loans and Discounts elsewhere than in Canada (less rebate of interest) after making full provision for all bad and doubtful debts	1,428,765 85	
Non-Current Loans, estimated loss provided for	181,568 77	
Bank Premises, at not more than cost, less amounts written off	5,531,630 99	
Real Estate other than Bank Premises	35,545 60	
Mortgages on Real Estate sold	31,296 60	
Deposit with the Minister of Finance for the purposes of the Circulation Fund	314,650 00	
Other Assets not included in the foregoing	207,227 43	
		66,966,302 37
Liabilities of Customers under Letters of Credit, as per contra		4,740,097 49
		$141,482,753 72

A. W. AUSTIN,
President.

C. A. BOGERT,
General Manager.

AUDITORS' REPORT TO SHAREHOLDERS

WE REPORT TO THE SHAREHOLDERS OF THE DOMINION BANK:—

That we have audited the above Balance Sheet as at December 31st, 1927, and compared it with the books and vouchers at Head Office and with the certified returns from the Branches. We have obtained all the information and explanations that we have required, and in our opinion the transactions of the Bank which have come under our notice have been within the powers of the Bank.

In our opinion the Balance Sheet discloses the true condition of the Bank and is as shown by the books of the Bank.

A. B. SHEPHERD, C.A.
of Peat, Marwick, Mitchell & Co.
D. McK. McCLELLAND, F.C.A.
of Price, Waterhouse & Co.

TORONTO, January 17th, 1928.

Addresses by Messrs. A. W. Austin, President, C. A. Bogert, Vice-President and General Manager, and C. S. Blackwell, Chairman of the Board, were delivered, reviewing the Bank's affairs and dealing with general business conditions in Canada.

The following directors were elected: Messrs A. W. Austin, C. S. Blackwell, C. A. Bogert, R. Y. Eaton, E. W. Hamber, Wilmot L. Matthews, R. S. McLaughlin, W. W. Near, F. Gordon Osler, J. Allan Ross and H. H. Williams.

At a subsequent meeting of the Directors, Mr. A. W. Austin was elected President, Mr. C. A. Bogert, Vice-President, and Mr. C. S. Blackwell, Chairman of the Board.

No Truth in Rumor About Rolland Paper

From Our Own Correspondent

MONTREAL.—There appears to be no truth in the article published by a financial paper last week indicating that the Provincial Paper Company is to purchase the Rolland Paper Company. From interests close to the Rolland Paper, The Financial Post understands that the report of the negotiations was false and without foundation. The Rolland Company owns and operates two paper mills on the North River about 35 miles north of Montreal. It is one of the oldest paper organizations in Canada; in addition to producing sulphite paper, it has specialized in the highest grade of fine rag papers.

Mr. Justice Rose dismissed the action brought in the Non-jury Assizes by the liquidators of the Home Bank, G. T. Clarkson and Isaac E. Weldon, against Walker Grant Morden, of Buckinghamshire, England, for $17,832.67.

Canada's banking system is described as "unimpeachable," by the Financial Times of London, England.

MOIRS EXPECTS TO SET RECORDS IN 1928 PROFITS

Last Year's Sales Said to Have Shown Good Increase

From Our Own Correspondent

HALIFAX.—At the annual meeting of the shareholders of Moirs, Limited, O. E. Smith, chairman of the board of directors, reported satisfactory operations during the year 1927. Sales were shown to have increased during the year. Net profits declined slightly due largely to increased prices for raw materials and heavy construction program, the main candy plant having been increased in capacity about 50 per cent.

The president in his report expressed the belief that the company would have record breaking business in 1928. The 1927 sales totalled $2,717,276 as compared with $2,604,070 in 1926. After providing for depreciation of $110,739, bond interest of $65,000,000 and a reserve for income tax, net profits for the year 1927 amounted to $51,398. The 1926 profits were $60,177. The net liquid assets of the company were set down at $1,055,981.04 compared with $1,019,890.90 on December 31, 1926.

The following were elected directors of the company: Archibald Fraser, Fredericton; I. W. Killam, Toronto; J. C. MacKeen, Halifax; G. MacG. Mitchell, Halifax; James W. Moir, Halifax; W. A. Moir, Halifax; W. C. Pitfield, Toronto; H. P. Robinson, Saint John; G. E. Smith, Halifax; Frank Stanfield, Truro; J. H. Winfield, Halifax.

The officers appointed at the directors meeting following the shareholders meeting were as follows:

James W. Moir, chairman; O. E. Smith, president; W. C. Pitfield, vice-president; J. H. Winfield, managing director; Thomas Hood, comptroller and secretary.

C. V. Monaghan, who had been manager and director of the company since its organization, resigned and was succeeded by J. H. Winfield.

Kitchener Clearing House Holds Annual Meeting

The annual meeting of the Kitchener clearing house association was held last week at Wagner's Hotel, Bridgeport, when the annual reports of the president and clearing house manager were received. D. A. MacMillan, manager of the Bank of Montreal, and retiring president, referred to the stable conditions existing in that city and community, and expressed the opinion that such would continue. The officers elected for the year are president, J. H. Dobbie, manager of the Canadian Bank of Commerce; vice-president, A. J. Cundick, manager of the Bank of Nova Scotia; secretary, R. D. Boughner, manager of the Dominion Bank, while R. J. Sim, accountant of the Bank of Toronto, was appointed manager of the Kitchener clearing house for 1928."

The Royal Bank of Canada

DIVIDEND No. 162

NOTICE is hereby given that a DIVIDEND OF THREE PER CENT (being at the rate of twelve per cent per annum) upon the paid-up capital stock of this bank has been declared for the current quarter, and will be payable at the bank and its branches on and after Thursday, the first day of March next, to shareholders of record at the close of business on the 31st day of January.

By order of the Board.
C. E. NEILL,
General Manager.
Montreal, Que., January 13, 1928.

Brokers Accounting Systems

Persons experienced in installing systems in Brokerage Offices (especially to take care of marginal transactions) are open for engagements in Canada on a fee basis. Have thorough knowledge of Canadian stock exchanges. Inquiries invited. References given.

Box 152,
Financial Post, Toronto

BANK OF MONTREAL

NOTICE is hereby given that a DIVIDEND of THREE per cent. upon the paid up Capital Stock of this Institution has been declared for the current quarter, payable on and after THURSDAY, the FIRST day of MARCH next, to Shareholders of record of 31st January, 1928.

By Order of the Board.
FREDERICK WILLIAMS-TAYLOR,
General Manager.
Montreal, 20th January, 1928.

Auction Sale of Valuable Steel & Wire Plant Situated at Collingwood

TAKE NOTICE THAT, pursuant to the Powers of Sale contained in certain mortgages, which will be produced at the time of the sale, there will be offered for sale by Public Auction, by the Municipal Corporation of the Town of Collingwood, on MONDAY, the 20th day of February, A.D. 1928, at the hour of 1.30 o'clock in the afternoon, at the Court Room, Town Hall, Collingwood, the lands, plant, machinery, assets, chattels and undertakings of the Company known as the **Imperial Steel Corporation, Limited,** including the old and new site of the said Corporation, which said lands, plant, machinery, etc., are more particularly described in said Mortgages, and in Inventories, which may be inspected at the office of the Clerk of the said Town.

THERE are erected upon the said premises, a number of brick and concrete buildings, containing an up-to-date modern wire-drawing plant, nail-mill, galvanized wire plant, machine-shop, wire weaving and fabricating machines, and equipment of various kinds. Plant in good repair and ready for operation.

CONDITIONS OF SALE and other particulars with regard to the said, plant, will, on application, be furnished by the Clerk, of the said Town.

THE sale will be subject to a reserve bid.

DATED at Collingwood this 26th day of January, A.D. 1928.

The Municipal Corporation of the Town of Collingwood, Mortgages.

Per its solicitor, Robert E. Fair, Collingwood, Ontario.

FINLAY & FINLAY,
Auctioneers, Collingwood

Bank Chat

T. W. Joyce, formerly manager of the Dominion Bank, at Deer Park branch, Toronto, has been appointed manager at Oshawa, Ont., and is succeeded at the former branch by H. Hall, manager of Wychwood branch, Toronto.

P. E. J. Netterfield, formerly accountant at City Hall branch of the Dominion Bank, Toronto, has been appointed acting manager at Wychwood branch, Toronto.

S. Blues succeeds Mr. Netterfield as accountant at City Hall branch of the Dominion Bank, Toronto.

A branch of the Bank of Nova Scotia has been opened at 1925 Gerrard St. E., Toronto, to be known as Gerrard and Woodbine branch.

W. H. Hogg, superintendent of the British Columbia branches of the Bank of Montreal, accompanied by Miss Hogg, is paying a visit to England.

G. C. Cassels, manager of the City of London, Eng., branch of the Bank of Montreal, is at Kandersteg, Switzerland.

H. L. Alcorn has been appointed manager of the Granby, Que., branch of the Bank of Montreal, in succession to A. A. Stewart, who has been transferred to the Cornwall, Ont., branch as manager.

N. Hillary, former supervisor of the Ontario branches of the Royal Bank of Canada, is in London on his way to the Mediterranean.

N. V. R. Huus, manager of the Lethbridge branch of the Bank of Montreal, is in England en route to the Continent.

The Bank of Toronto has opened a branch at The Pas, Manitoba, under the management of C. J. Knox.

J. S. Davidson, for several years manager of the Ponoka branch of the Bank of Montreal, has been transferred to the management of the High River branch and will take over the duties in his new field the latter part of January.

Herbert J. Johnstone, at one time on the staff of the Bank of Nova Scotia, in Halifax, later at Amherst, Kingston, Jamaica, and other branches, but for the past nine years accountant at the Moncton branch, has been promoted to manager at Bath, N. B. F. T. MacLellan, accountant of the New Glasgow branch, is succeeding Mr. Johnstone, who is a native of Apohaqui, Kings County, N. B.

George L. Nash, 42, assistant inspector of the Canadian Bank of Commerce in Saskatchewan, died while playing in a game of badminton at Regina.

Mr. Nash came from Ireland in 1911, joining the Bank of Commerce at Calgary. Subsequently he was manager of bank's branches at Cudworth, Vonda, Watson, Radisson, Star City and Melfort, in Saskatchewan. He went to Regina three years ago from Melfort and joined the provincial superintendent's department.

Situation Wanted

By salesman experienced in bonds. University graduate, now in Toronto. Box 150, The Financial Post, Toronto, Ont.

Canadian Vickers Limited

PREFERRED SHAREHOLDERS
DIVIDEND No. 2

Notice is hereby given that a Dividend of One and Three-Quarters per cent. (1¾%) for the Quarter ending January 31, 1928, being at the rate of 7% per annum, on the Paid-up Cumulative Preferred Shares of this Company, has been declared and that the same will be paid on the 15th day of February next to Preferred Shareholders of record at the close of business on January 31, 1928.

(Signed) J. W. SAVIDANT,
Secretary-Treasurer.
Montreal, January 23, 1928.

Canadian Industrial Alcohol Company Limited

NOTICE

CLASS "B" SHARES.

We have now obtained from the Secretary of State of Canada supplementary letters patent sub-dividing the capital stock of the Company into two classes, namely, Class "A" stock and Class "B" stock. Class "B" stock consists of 500,000 "no par value" shares, which have no voting power, all of which shares are still in the company's treasury. Class "A" stock consists of the balance of the authorized capital, namely, 1,000,000 shares of "no par value" stock with voting power, in which is included all the present issued capital stock of the company.

The company's directors now make the following offer to all shareholders of record 30th January, 1928, namely:—

(a) 121,185 shares of the new Class "B" stock for purchase upon the following basis:

(b) Each shareholder has the right to buy one share of the new Class "B" stock at a price of $20.00 (twenty dollars) per share for every eight shares of the company's stock held on 30th January, 1928, provided the Crown Trust Company receive at its offices, Montreal, before three o'clock p.m. on the 1st March, 1928, payment for the shares with the executed documents indicated below.

(c) Warrants to subscribe for shares and Fractional Warrants, covering shareholders' rights in that connection insofar as their holdings on 30th January, 1928, appear and insofar as the number of shares then held is divisible by eight, will be mailed to shareholders of record 30th January, 1928. This "warrant to subscribe for shares", when properly endorsed and when accompanied by payment of the price, if received by the Crown Trust Company within the delay mentioned in the preceding paragraph, will entitle the subscriber to the number of new Class "B" shares indicated by the warrant.

(d) No fractional shares of the new Class "B" stock will be issued, but any shareholher whose holding is less than eight shares, or whose holding when divided by eight, leaves a residue, is entitled to "Fractional Warrants" representing such shares or such residue.

(e) Each Fractional Warrant will entitle the holder, upon the surrender of the same accompanied by other Warrants, the whole aggregating One share, to receive a Certificate for One fully paid and non-assessable Class "B" share having no nominal or par value of the Capital Stock of the Company, providing such Fractional Warrants are presented to the Crown Trust Company before three o'clock p.m. on the 1st March, 1928, together with payment in full of the price thereof.

(f) "Warrants to subscribe for shares" and "Fractional Warrants", duly endorsed and accompanied by payment of the proper amount, should be addressed to

Crown Trust Company,
233 St. James Street,
Montreal.

(g) All "Warrants to subscribe for shares" and "Fractional Warrants" will be void and of no value or effect unless received by the Crown Trust Company, duly endorsed, and with the proper payment, before three o'clock p.m. on the 1st March, 1928.

The shares represented by the Certificates of Rights will rank for dividends declared after 1st March, 1928.

By Order of the Board.
J. GIBSON, LAWRENCE,
Secretary-Treasurer.

Weekly Bank Clearings

(As compared with same week last year)

EASTERN CITIES	Jan. 20, 1927	Jan. 19, 1928
Halifax	$ 2,716,518	$ 2,844,611
St. John	2,870,754	2,672,753
Moncton	868,114	871,208
Sherbrooke	902,803	845,801
Quebec	6,075,312	8,806,828
Montreal	109,199,538	149,511,934
Ottawa	7,488,480	7,837,803
Kingston	707,216	792,755
Peterboro	728,550	919,353
Toronto	135,436,790	156,548,134
Hamilton	5,645,127	5,668,241
Brantford	937,029	1,155,119
Chatham	818,680	884,222
London	2,972,324	3,364,211
Kitchener	1,116,218	1,303,666
Sarnia	616,878	857,810
Windsor	3,633,616	4,391,929
WESTERN CITIES	**Jan. 20, 1927**	**Jan. 19, 1928**
Fort William	$ 824,018	$ 867,329
Winnipeg	38,858,820	51,660,556
Brandon	531,566	608,649
Regina	3,563,881	4,661,055
Moose Jaw	1,184,145	1,351,100
Saskatoon	1,626,059	2,304,785
Prince Albert	391,684	396,365
Lethbridge	480,414	621,832
Edmonton	4,835,191	7,722,490
Calgary	7,324,462	10,529,044
Victoria	1,865,969	2,312,834
New Westminster	588,492	709,216
Vancouver	15,556,011	21,190,755
Medicine Hat	256,700	396,355

NOTICE OF DIVIDEND

Wood, Alexander & James, Limited

The regular quarterly dividend of 1¾% on the First Preference Shares of this Company has been declared payable Feb. 1st to shareholders of record at the close of business Jan. 23rd.

By order of the Board.
W. J. CUNNINGHAM,
Secretary.
Hamilton, Jan. 20th, 1928.

Tenders will be received by the undersigned up to Wednesday, February 1st, 1928, at twelve o'clock noon, for the purchase of Town of Newmarket local improvement debentures. This issue is for $44,500.00 bearing interest at five per cent. per annum payable yearly. The debentures are on the instalment plan extending over a period of fifteen years.

For further particulars phone or write Norman L. Mathews, Town Treasurer, Newmarket, Ont.

Barcelona Traction, Light and Power Company, Limited

(Incorporated under the laws of Canada)

PAYMENT OF DIVIDENDS

NOTICE IS HEREBY GIVEN that the Board of Directors have declared the following final dividends in respect of the year ended 31st December, 1927, on the Capital Stock of the Company, payable on the 10th February, 1928, to all Shareholders of record at the close of business on the 31st January, 1928:

1. A dividend at the rate of one per cent. (1%), (i.e. fifty cents per share) on the issued Ordinary Capital Stock.

2. An additional dividend of one per cent. (1%) on the 7 per cent. non-cumulative participating Preference Stock (corresponding with the dividend of one per cent (1%) on the Ordinary Capital Stock) in accordance with their participating rights.

DATED at Toronto, Canada, January 23rd, 1928.

R. H. MERRY,
Secretary.

NOTE:

The Transfer Agents of the Company are National Trust Company, Limited, Toronto, Canada.

The London Agents of the Company are the Canadian and General Finance Company, Limited, 3, London Wall Buildings, London, E.C. 2.

STOCK FOR SALE BY TENDER

To close an estate tenders will be received by the undersigned, up to the tenth of February, 1928, for all or part of a block of 3,000 shares of capital stock of The Sleeman's Spring Bank Brewery Company, Ltd., par value of shares $10.00 each.

The highest or any tender not necessarily accepted.

Apply to
THE GUELPH TRUST COMPANY,
Guelph, Ontario

The Shawinigan Water & Power Company

Notice of Redemption

To the holders of the Series "D" Five and One-Half Per Cent. First Refunding Mortgage Sinking Fund Gold Bonds of The Shawinigan Water and Power Company.

NOTICE IS HEREBY GIVEN that all of the outstanding Series "D" Five and One-Half Per Cent. First Refunding Mortgage Sinking Fund Gold Bonds of The Shawinigan Water and Power Company, issued under and secured by a Trust Deed of Hypothec, Mortgage and Pledge, dated October 8th, 1919, and Deeds supplemental thereto, in favour of Montreal Trust Company, as Trustee, which would, according to their terms, mature on April 1st, 1954, will be redeemed by the Company, pursuant to the terms of the said Deeds, on the First day of April 1928, at par with a premium of five per cent. thereon and with interest accrued to the date of redemption.

The said Bonds will be paid at the redemption price aforesaid upon surrender thereof, with the coupons maturing on April 1st, 1928, and all coupons for subsequent interest attached thereto, at the principal office of The Royal Bank of Canada, in the City of Montreal, Canada, or at the principal office of the Bank of the Manhattan Company, in the Borough of Manhattan, City and State of New York, U.S.A., or at the Bank of Scotland, in London, England, at the holder's option.

In case such Bonds are not presented for redemption on April 1st, 1928, all interest on said Bonds will cease from and after the said date.

DATED at Montreal, this 29th day of September, 1927.

THE SHAWINIGAN WATER & POWER COMPANY,
(Sgd.) JAMES WILSON,
Secretary.

Referring to the foregoing Notice of Redemption, holders of the said Series "D" Five and One-Half Per Cent. First Refunding Mortgage Sinking Fund Gold Bonds may surrender the same at the principal office of The Royal Bank of Canada, Montreal, or at the principal office of the Bank of the Manhattan Company, Borough of Manhattan, N.Y., or at the Bank of Scotland, London, England, at any time on or after November 1st, 1927, and prior to the date fixed for redemption, and upon such surrender will receive a sum equal to the redemption price of one hundred and five per cent (105%) with interest accrued on such Bonds to the date of surrender thereof.

THE SHAWINIGAN WATER & POWER COMPANY,
(Sgd.) JAMES WILSON,
Secretary.

FURS
FISH
GOLD
NICKEL
LUMBER
GRAIN
FRUIT
COAL
TOBACCO
OIL
COTTON
LUMBER
SUGAR
TOBACCO
GOLD
ASPHALT
CACAO
RUBBER
COFFEE
CATTLE
TIN
IRON
COAL
SHIPBUILDING
MANUFACTURING
SILK GOODS
WINE
OLIVE OIL
CORK
COAL
FRUIT
COCOA
RUBBER
DIAMONDS
New Head Office MONTREAL
G722

To Exporters & Importers

You can profit through the facilities offered by our 900 Branches in 21 different Countries

The Royal Bank of Canada

WANTED

Young man with good financial training in investment banking and trust company work desires to form new connections, not necessarily in the financial field. Some knowledge of Real Estate and Law. Good correspondent, studious, hard worker. Honour graduate (B.A.) University of Toronto, Class of 1922.

Please address replies to:

Box M50
c/o The Financial Post
1070 Bleury St.
Montreal

The Shawinigan Water & Power Company

Notice of Redemption

To the holders of the Series "E" Five Per Cent. First Refunding Mortgage Sinking Fund Gold Bonds of The Shawinigan Water and Power Company.

NOTICE IS HEREBY GIVEN that all of the outstanding Series "E" Five Per Cent. First Refunding Mortgage Sinking Fund Gold Bonds of The Shawinigan Water and Power Company, issued under and secured by a Trust Deed of Hypothec, Mortgage and Pledge, dated October 8th, 1919, and Deeds supplemental thereto, in favour of Montreal Trust Company, as Trustee, which would, according to their terms, mature on October 1st, 1955, will be redeemed by the Company pursuant to the terms of the said Deeds, on the First day of April, 1928, at par with a premium of five per cent. thereon and with interest accrued to the date of redemption.

The said Bonds will be paid at the redemption price aforesaid upon surrender thereof, with the coupons maturing on April 1st, 1928, and all coupons for subsequent interest attached thereto, at the principal office of The Royal Bank of Canada, in the City of Montreal, Canada, or at the principal office of the Bank of the Manhattan Company, in the Borough of Manhattan, City and State of New York, U.S.A., or at the Bank of Scotland, in London, England, at the holder's option.

In case such Bonds are not presented for redemption on April 1st, 1928, all interest on said Bonds will cease from and after the said date.

DATED at Montreal, this 29th day of September, 1927.

THE SHAWINIGAN WATER & POWER COMPANY,
(Sgd.) JAMES WILSON,
Secretary.

Referring to the foregoing Notice of Redemption, holders of the said Series "E" Five Per Cent. First Refunding Mortgage Sinking Fund Gold Bonds may surrender the same at the principal office of The Royal Bank of Canada, Montreal, or at the principal office of the Bank of the Manhattan Company, Borough of Manhattan, N.Y., or at the Bank of Scotland, London, England, at any time on or after November 1st, 1927, and prior to the date fixed for redemption, and upon such surrender will receive a sum equal to the redemption price of one hundred and five per cent. (105%) with interest accrued on such Bonds to the date of surrender thereof.

THE SHAWINIGAN WATER & POWER COMPANY,
(Sgd.) JAMES WILSON,
Secretary.

Lake of the Woods Milling Company Limited

DIVIDEND NOTICES

Notice is hereby given that a Dividend of 1¾ per cent. on the Preferred Stock of LAKE OF THE WOODS MILLING COMPANY LIMITED, for the three months ending February 29th, 1928, has been declared payable on Thursday, March 1st, 1928, to shareholders of record at the close of business on Wednesday, February 15th, 1928.

By Order of the Board,
M. H. HUTCHISON,
Secretary.

Notice is hereby given that a Dividend of 3 per cent. on the Common Stock of LAKE OF THE WOODS MILLING COMPANY LIMITED, for the three months ending February 29th, 1928, has been declared payable on Thursday, March 1st, 1928, to shareholders of record at the close of business on Wednesday, February 15th, 1928.

By Order of the Board,
M. H. HUTCHISON,
Secretary.

The Canadian Bank of Commerce

Dividend No. 164

Notice is hereby given that a dividend of Three per cent. upon the paid-up capital stock of this Bank has been declared for the quarter ending 29th February, 1928, and that the same will be payable at the Bank and its Branches on and after Thursday, 1st March next, to shareholders of record at the close of business on the 14th day of February, 1928. The transfer books will not be closed.

By Order of the Board.
S. H. LOGAN,
General Manager,
Toronto, 20th January, 1928.

Notice of Dividend

Famous Players Canadian Corporation Limited

Notice is hereby given that a dividend of Two Dollars ($2.00) per share for the quarter ending the 1st of February, 1928, has been declared upon the First Preference stock of the Company, payable the 1st day of March, 1928, to shareholders of record Tuesday, the 31st day of January, 1928.

By order of the Board,
N. L. NATHANSON,
Managing Director.

Dated at Toronto, this 19th day of January, 1928.

McIntyre Porcupine Mines, Ltd.

(No Personal Liability)
DIVIDEND NO. 37

Notice is hereby given that a dividend of five per cent. (5%) on the issued Capital Stock of the Company will be paid on the 1st day of March, 1928, to shareholders of record at the close of business on February 1st, 1928.

By order of the Board.
BALMER NEILLY,
Treasurer.
Dated at Toronto, January 19th, 1928.

NOTICE

We, the undersigned, have resigned as Directors of Makamic Mines, Que. (No personal liability), taking effect immediately.

(Signed)
J. EDOUARD ALAIN
RODOLPHE TOURVILLE
JOHN T. WAIT
S. DECHANTIGNY
January 19th, 1928.

WAYAGAMACK PULP & PAPER COMPANY LIMITED

Dividend No. 12

Notice is hereby given that a Dividend of Seventy-five cents (75c) per share has been declared on the No Par Value Common Stock of the Company, for the quarter ending February 29th, 1928, payable March 1st, 1928, to Shareholders of record at the close of business on February 15th, 1928.

By order of the Board,
D. L. ADAMS,
Secretary-Treasurer,
Montreal, Que., January 19th, 1928.

Debentures For Sale

City of North Bay

Tenders, sealed and endorsed on envelope, "Tender for Debentures," are invited for the purchase of Debentures of the City of North Bay, as outlined below:

1. $23,133.52 Debentures for Permanent Sidewalks repayable in 10 equal annual instalments at the rate of 5% interest, principal and interest.

2. $44,896.35 Debentures for Sanitary Sewers bearing interest at 5% and repayable in 20 equal annual instalments of principal and interest.

3. $15,000.00 Debentures for Park purposes, bearing interest at 5% and repayable in 20 equal annual instalments of principal and interest.

4. $31,400.00 Debentures for the Construction of Bridges and Septic Tanks, bearing interest at 5% and repayable in 20 equal annual instalments of Principal and Interest.

Delivery and all payments to be made at the Royal Bank, North Bay, Ont., in North Bay funds.

Offers will be received by the undersigned up to 12 o'clock noon of Saturday, the 4th day of February, 1928.

The highest or any other offer not necessarily accepted.

Dated at North Bay this 20th day of January, 1928.

(Signed) WM. N. SNYDER,
City Clerk.

ALBERTA PROVINCE TO MAKE REFORM IN BUSINESS LAWS

Municipal, Provincial and Federal Taxations All Need Revision

NEW COMPANIES ACT

Fresh Bill is Required for Licensing and Bonding of Real Estate Brokers

From Our Own Correspondent

EDMONTON. — The programme of the Alberta legislature, opening early in February, will include a number of measures bearing directly upon business practice of one sort and another. It is not expected that the docket of government legislation will be a long one, but several matters of particular importance, as business men regard them, will be on it. Substantial changes in the provincial statutes will likely follow.

The whole question of taxation, for instance, will be up for review. This will be prompted by the report of an advisory committee on taxation, appointed by the government and headed by Dr. H. M. Tory, president of the University of Alberta, for the purpose of conducting an inquiry into all phases of the question. Numerous sittings of this committee were held during the past year, evidence was taken, and a great amount of data was gathered locally and from other provinces and states, all about taxes. In Alberta, as elsewhere, there has been considerable complaint not only over the volume of taxation, but also about the overlapping of various taxing rights, municipal, provincial, and federal. Better methods of levying and collecting have been desired, and the expenditure of tax money, after it has reached the government treasury, has been thought to need revision about as much as the way of getting it. The committee's investigations have covered all these points, and its report, which has not yet been made public, will inform the house as to changes in the Alberta system that, in the commissioners' opinion, might be made with advantage. Whether or not there will be time at this session to deal with the question fully remains to be seen, but action on some of the points thus raised will likely result.

Workmen's Compensation

Of much importance also will be the report of another special committee appointed by the government to make a thorough study of the workmen's compensation scheme. Alberta has had workmen's compensation for twenty years now, but it has not been entirely satisfactory to either the workmen or the employers, and a complete overhauling of the system was contemplated when the committee was set to investigate. Information was secured from pretty nearly every country under the sun where there are compensation laws, and if the legislature does not see its way clear to make the Alberta law different and better than it has been, it will not be for lack of evidence or opinion.

What will amount to practically a new Companies Act will result from the proposed revision of the present statute. Companies are now incorporated in Alberta under a law that dates back to the old Northwest Territorial days, and is therefore somewhat behind the times. The numerous amendments are to be consolidated and new provisions introduced that will make the practice in this province more nearly uniform with that of other provinces, a case in point being the incorporation of companies without share capital.

It is also expected that a new bill providing for the licensing and bonding of real estate brokers will be passed. This move has the support of the Edmonton Real Estate Association and other like interests in the province, which see in it a means of effectually discouraging curbstone operations, but it is likely that some opposition to it will develop when it comes before the House.

Rural Credits Act

Legislation is to be passed supplementing the federal rural credits act. The procedure will be the same as in other provinces and will have the effect merely of making the Dominion act operative within provincial bounds. The Alberta farm loans act, passed in 1924 but never put into operation, will be repealed.

A number of statutory changes affecting the retail trades have been asked for by the Alberta Retail Merchants' Association. Among them are closer control and restriction of transient traders and pedlars, better provision for small debt recovery proceedings, the bonding and licensing of collection agencies, and the inclusion of hardware as one of the "necessaries" in the terms of crop mortgage regulations, thus putting it on the same basis as groceries, clothing, and binder twine.

CANADIAN INDUSTRIAL ALCOHOL

From Our Own Correspondent

MONTREAL.—To shareholders as at January 30, the Canadian Industrial Alcohol is offering the 121,185 shares of new class B stock at $20 per share on the basis of one class B share for every eight shares held. Subscription warrants will be mailed to the shareholders shortly. The new shares will rank [illegible] dividends from March 1 next.

Capital: $1,000,000
Reserve: 350,000

Complete
Trust Service
covering
Wills and Trusts
Mortgage Loans
Real Estate and Investment
Registrar and Transfer Agents
Safety Deposit Vaults

THE
EASTERN TRUST
COMPANY
Head Office—Halifax, N.S.
Saint John, N.B. St. John's, Nfld.
Charlottetown, [illegible]
MONTREAL—138 St. James St.

Insurance for Buyer and Seller

LIFE INSURANCE WAS 7% HIGHER THAN YEAR 1926

Record Production in 1927 Reflects General Prosperity of Dominion

The record production of ordinary life insurance in 1927 reflects the general prosperity of the Dominion. New business last year reached a total volume of $502,438,000—seven per cent. higher than 1926 production, according to figures just issued by the Life Insurance Sales Research Bureau. December business alone totalled $48,899,000—the highest month on record and better by three per cent. than December, 1926. Previous high months were $47,366,000 in December, 1926, and $48,104,000 in October, 1927. The yearly record is especially convincing since 87 per cent. of reporting companies show increased volume for 1927 as compared to 1926. The report includes the production of new paid-for business by companies having in force 84 per cent. of the total legal reserve life insurance outstanding in Canada and is therefore indicative of general experience.

All provinces with the exception of Saskatchewan share in the Dominion gain of seven per cent. for the year. Increases range from two per cent. in Manitoba to 10 per cent. in Quebec. Gains for the month vary throughout the Dominion. Ontario and Quebec, which produce over half the entire business written in Canada, record conservative increases of four per cent. and two per cent. respectively over December, 1926. Other gains range from three per cent. in Nova Scotia to 17 per cent. in Manitoba.

Among reporting cities, gains for the year range from four per cent. in Winnipeg to 36 per cent. in Ottawa. All cities record increased sales during 1927 although several decreased somewhat in December over last December's high records.

Life Insurance Sales in Canada*

	1922	1923	1924	1925	1926	1927
January	$27,432,000	$28,108,000	$30,673,000	$30,838,000	$33,907,000	$36,986,000
February	26,023,000	25,409,000	30,704,000	28,698,000	34,744,000	35,525,000
March	27,516,000	28,142,000	34,383,000	35,001,000	40,483,000	42,883,000
April	26,547,000	29,966,000	32,603,000	35,872,000	37,346,000	41,631,000
May	30,413,000	29,762,000	33,368,000	34,377,000	37,703,000	44,553,000
June	33,437,000	31,865,000	34,295,000	42,307,000	44,634,000	45,298,000
July	26,119,000	31,589,000	33,205,000	37,671,000	40,101,000	39,962,000
August	26,720,000	31,065,000	27,983,000	31,724,000	36,010,000	38,360,000
September ...	25,081,000	25,979,000	30,029,000	33,543,000	34,878,000	35,000,000
October	29,102,000	33,470,000	32,483,000	36,259,000	40,226,000	48,104,000
November	29,664,000	34,165,000	34,357,000	36,760,000	44,251,000	44,935,000
December	32,995,000	37,377,000	37,120,000	41,822,000	46,777,000	48,899,000

Total, 1927	$502,438,000
Total, 1926	471,040,000
Increase 7%	$31,398,000

*Companies having in force 84 per cent. of total outstanding business in Canada. New, ordinary business only. Figures by Life Insurance Sales Research Bureau, Hartford, Connecticut.

MANUFACTURERS' YEAR'S BUSINESS IS UP $7,000,000

Increase in Scale of Dividends for Policies is Authorized

New business of Manufacturers' Life in 1927 was $77,576,008, over $7,000,000 above the previous year's figure, which was $70,630,396. Business in force at the end of the year was $402,554,431 an increase from $361,166,647. The company increased its business by over 50 per cent. of the year's production.

Income for the year reached $20,775,961, an increase of more than two million dollars for the year while assets increased by $8,750,000 to $76,483,181. The annual report indicates that the market value of investments is higher than the book value at which they are shown. W. G. Gooderham, president, places the excess at $1,385,000.

The company has authorized an increase in the scale of dividends for policies completing their dividend year during 1928.

Address of J. B. McKechnie, general manager, at the company's annual meeting, pointed out that payments during 1927 amounted to $5,000,000 to policyholders as against $2,500,000 to beneficiaries. "Modern life insurance," he deduced from these figures, "is indeed becoming—in fact, has indeed become a means of providing against the proverbial rainy day and taxes, even though it still performs its function of financially providing for the bereaved.

Mr. McKechnie also announced that the shareholders have reduced their percentage of profits from 7½ per cent. to 7 per cent. Last year they reduced their percentage from 7½ to 10 per cent. to 7½ per cent.

	1926	1927
New insur. issued	$70,630,396	$77,576,008
Insur. in force	361,166,647	402,554,431
Assets	67,643,709	76,483,181
Policy reserves	57,099,942	64,398,204
Total income	18,667,904	20,775,961

Fidelity Insurance Makes Lower Profit

With net loss ratio of 43.97 per cent., Fidelity Insurance Company of Canada increased its surplus during 1927 from $58,704 to $60,036, while assets increased by $11,305, and stand at $438,656. Net premium income was $223,596, as compared with $153,878.

Losses were considerably heavier and expenses also mounted with the result that the underwriting profit declined from $18,297 to $4,783. Interest on investments amounted to $20,417, and more than meet the shareholders' dividends, amounting to 6 per cent., or $15,000 annually.

Company has added to the board Mark Bredin and J. Allan Ross, Toronto, and E. Gerald Hanson, Montreal.

More than $120,000,000 came to the Province of Manitoba from its field crops for the fiscal year ending April 30th, 1927.

THE
IMPERIAL
GUARANTEE and ACCIDENT
UNDERWRITERS
Guarantee, Accident, Automobile, Burglary, Sickness, Plate Glass, Fire.
HEAD OFFICE:
22 Wellington St. E., TORONTO

NORTHWESTERN MUTUAL
FIRE ASSOCIATION
SEATTLE, WASHINGTON
HEAD OFFICE FOR CANADA — HAMILTON, ONTARIO
Writing Fire Insurance at Cost
Assets $3,751,733.94
ALL POLICIES DIVIDEND-PAYING AND NON-ASSESSABLE
Branch Offices:
Toronto, Ottawa, Vancouver, Victoria, Edmonton, Saskatoon,
Winnipeg, Montreal, St. John, Halifax, and Charlottetown.

Insurance Institute Hears Northern Chief on Casualty Insurance

Personal Accident and Sickness, Automobile, Workmen's Compensation, Burglary and Hail Risks Are All Dealt With by Manager Alex Hurry

From Our Own Correspondent

MONTREAL.—The newly-formed Insurance Institute of Montreal, started its first meeting the other day by listening to Alex. Hurry, manager of the Northern Assurance Co., who addressed the members on the subject of "Casualty Insurance in Canada."

Since 1875, when some six casualty companies wrote $130,000 of business, this branch of insurance has grown, until in 1925, there were 171 companies writing a total business of approximately $26,000,000. In the early days, fire and casualty companies were operated separately, but increasing competition in both fields has caused both services to overlap in an effort to increase premium volume.

Personal accident and sickness is probably the oldest form of casualty insurance and existed in a mutual form among the guilds of a thousand years ago. In Canada the class produces a premium income of six million dollars. The contracts of the companies, while practically identical in their main features, differ widely in details. Many attempts have been made to bring about an agreement as to rates and coverages but in this class of business the companies seem to wish to retain their individuality and still tend to vie with each other in the manner of their window dressing and in the prices charged. The business is highly competitive and is considered valuable to a company as an intimate point of contact with a client.

Automobile is the other big casualty line—producing in Canada premiums exceeding eight million dollars. This is one of the youngest branches of the business which has grown and will grow along with the increasing use of the automobile.

Car Policy

Now that the business is handled for the most part by composite offices the whole of the insurance pertaining to a car is usually written in one policy unless there is a vendor's interest stipulating control of the insurance against loss of the car itself. The possibilities of the automobile business may be left to your imagination, but let us handle the situation sanely. The risk is so widely distributed that at proper rates one company could write all the cars in use in Canada without outside assistance and not run a very serious catastrophe risk so the competition for automobile is the fiercest in our business. Most elaborate statistics are kept of the experience of the companies and rates are fixed so much I am afraid on the actual loss cost of the past as on a pious hope that with greater volume and greater experience and better care the results of next year will be better. Non-tariff companies relying on their opportunities to make a better selection of risks at lower rates cut under the tariff and many tariff companies have got restive and have cast off the trammels of the tariff obligation and have tried to beat the non-tariffs at their own game.

It is an enviable position to be the only company outside the tariff but when a crowd of strong companies get out in a wild scramble for business, the business is no good to anybody. Rates go down and commissions go up, and the agent who is accustomed to do his business on orthodox lines finds himself shopping for the lowest cut he can get in the hope that his competitor will not get something lower and steal his client, not only for automobile but for other lines.

Workmen's Insurance

Workmen's compensation produces about three million of dollars in premiums for the companies, but has proved very unprofitable business. The only provinces in which the insurance companies administer the benefits of the workmen's compensation acts are now Quebec and Saskatchewan, the other provinces having instituted government departments for the purpose.

Burglary is another line of business which has room for enormous development. The premiums are now a million dollars, and a large proportion of that is derived from insurance of payrolls against hold-up, safe insurance and other business lines. The field for development in household burglary must be very great and would well repay cultivation.

Hail insurance is confined to growing crops and is transacted only in the Prairie Provinces. It is rather a delicate subject just now while we are making up our accounts, and I will pass on and draw your attention to some of the many other lines of casualty business to which the student, the inspector and the underwriter might look for fresh effort—such as plate glass, steam boiler, explosion, electrical machinery, and particularly many interesting lines which may be written under inland transportation, such as registered mail, goods on trucks in transit, insurance against all risks on furs and jewellery.

Possibilities of Development

In this cursory reference to the different classes of casualty business we have seen great possibilities of development and there is no doubt that these miscellaneous lines will exceed in total the fire business of the companies ultimately, so it must be our aim to build up this business on sound lines that it may be carried on at a reasonable operation cost and full value offered to the public for the premiums they are asked to pay.

Canada Life Assurance Makes Staff Promotions

Wm. Hastie, formerly manager of the investment department of the Canada Life Assurance Co., at Montreal, and more recently eastern supervisor, has been appointed assistant treasurer, in association with Mr. L. R. Young. Mr. Hastie brings to his new duties a wide knowledge of investment problems gained through long experience in banking and financial circles.

J. W. Winn, manager of the Edmonton branch, has succeeded Mr. Wm. Toole as manager of the Calgary branch of the investment department. Mr. Toole is retained as consulting investment manager for the province of Alberta, while Mr. Winn will also continue to manage the Edmonton branch.

E. M. Taylor, who was transferred from Saskatoon and promoted to the post of acting manager of the Winnipeg branch of the investment department last May, has now been confirmed in his appointment as manager.

Western
Investments

Those who have investments in British Columbia, with which they are not familiar, may write to us for independent reports or valuations.

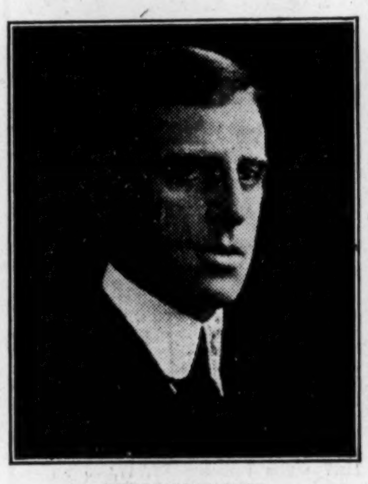
Our organization covers every section of the province.

Pemberton & Son
Vancouver Limited
418 HOWE STREET
Vancouver, Canada

THE MONARCH LIFE
IS A
GOOD COMPANY
Provincial Offices:
Toronto, Montreal, Winnipeg, Regina, Saskatoon, Calgary, Edmonton, Vancouver, Victoria, St. John, Halifax

The Independent Order of Foresters
Organized 1874
TOTAL BENEFITS
Paid to Members and their Beneficiaries
$87,000,000.00
Policies Issued from $1,000 to $5,000
G. E. BAILEY Secretary W. H. HUNTER President ALEX. STEWART Treasurer

Assistant Treasurer



WILLIAM HASTIE, appointed assistant treasurer of Canada Life, in association with L. R. Young.

Insurance Problems

Insurance questions of general interest submitted by subscribers of THE FINANCIAL POST will be answered in this column. Other inquiries will be answered by mail. A two-cent stamp should be enclosed to cover a direct reply.

Empire Life

Will you please give us what information you can re the Empire Life Insurance Company? A representative of this company is, at present, in Saint John and is endeavoring to sell stock.

The Empire Life Insurance Company is a young company that has got along very well. It is well managed, and we consider that its shares offer a reasonably good investment in the insurance field. Although the company has already declared one bonus that has served to pay up the stock, the additional 5 per cent. dividends are likely to be deferred for a number of years. This is the usual practice for insurance companies. The returns are slow in coming, but when they do come, they ought to be very substantial and gratifying.

Provincial Fire

Can you inform me whether the Provincial Fire Insurance Co. (Keswick, England) is safe and reliable to insure with. I am given to understand by the local agent here that the Canadian Pacific Railway have very large risks covered by this company, but I have no means of verifying his statements, so shall be glad of your opinion.

Provincial Fire Insurance Company is a non-tariff organization writing business in Canada through the Willis, Faber Company of Montreal.

This company handles C.P.R. risks for Canada, therefore, it is altogether likely that the Provincial carries a share at least of this business.

The company itself was founded in 1903 and has been writing business under a Dominion license since 1910. It writes both fire and automobile insurance and at the end of 1926, it had in force some $41,000,000 of fire insurance risk with a premium amounting for that year to $432,000. The assets of the company held in Canada for the protection of Canadian policy holders amount to $383,000, and the total premium income from Canadian business was $308,000, in addition to which the company wrote some $65,000 of automobile insurance business. The company's total assets are £714,000 sterling.

We consider this company quite safe and reliable in which to place your fire insurance.

Satisfactory Service Guaranteed
PRUDENTIAL
TRUST COMPANY
LIMITED
Trustees, Executors, Administrators, Real Estate and Insurance, Safety Deposit Vaults.
W. G. ROSS,
Chairman of the Board
B. HAL. BROWN,
President and General Manager
HEAD OFFICE
PRUDENTIAL TRUST BLDG.,
Montreal
TORONTO OFFICE
Reford Bldg., 217 Bay St.
Branches throughout Canada and in London, England.

International Petroleum's Year

The International Petroleum Company completed 61 producing wells in Colombia, S. A., in the first nine months of 1927, of which 24 had an initial production of 1,000 barrels a day or more, and it is estimated that total production in Colombia in 1927 was about 14,000,000 barrels, and in Peru 8,000,000 barrels.

Dominion Life Assurance Continues to Expand

Preliminary reports from the Dominion Life Assurance Co., of Waterloo, indicate that the total business in force for 1927 will amount to approximately $107,000,000 when final figures are obtained.

The year has been one of expansion for the company, particularly in the province of Quebec. The first extension of the company's activities outside Canada took place during the past year, when a branch was opened in Kingston, Jamaica.

A full report will be published in The Financial Post as soon as complete details are available.

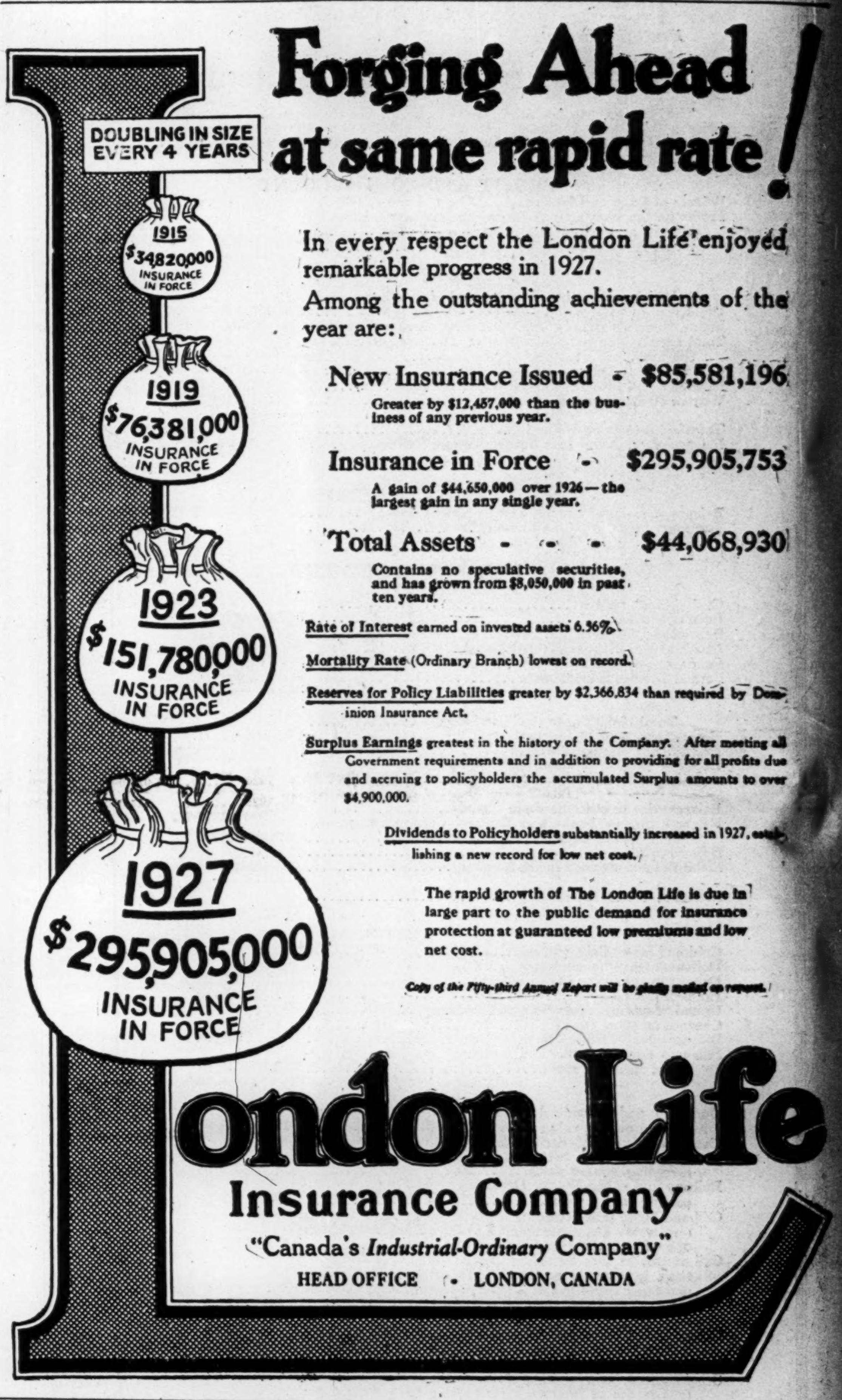
The dividends of experience

A WOMAN with her husband's life insurance to live on, or the proceeds of the sale of the farm to re-invest—and no business or financial training to do it with—is headed pretty straight for the shrinking dividends of inexperience—

Unless — she gets some sound straight-from-the-shoulder advice

Thrifty management will bring to her freedom from care and worry, assured comfort, and the Dividends of Experience, all of which may be obtained by the appointment as Executor and Trustee of your Estate of

THE CANADA PERMANENT TRUST Co
Paid-up Capital One Million Dollars
Toronto Street, Toronto.
Manager Ontario Branch - A. E. HESSIN 30


DOUBLING IN SIZE EVERY 4 YEARS
1915 $34,820,000 INSURANCE IN FORCE
1919 $76,381,000 INSURANCE IN FORCE
1923 $151,780,000 INSURANCE IN FORCE
1927 $295,905,000 INSURANCE IN FORCE

Forging Ahead at same rapid rate!

In every respect the London Life enjoyed remarkable progress in 1927.
Among the outstanding achievements of the year are:

New Insurance Issued - $85,581,196
Greater by $12,457,000 than the business of any previous year.

Insurance in Force - $295,905,753
A gain of $44,650,000 over 1926—the largest gain in any single year.

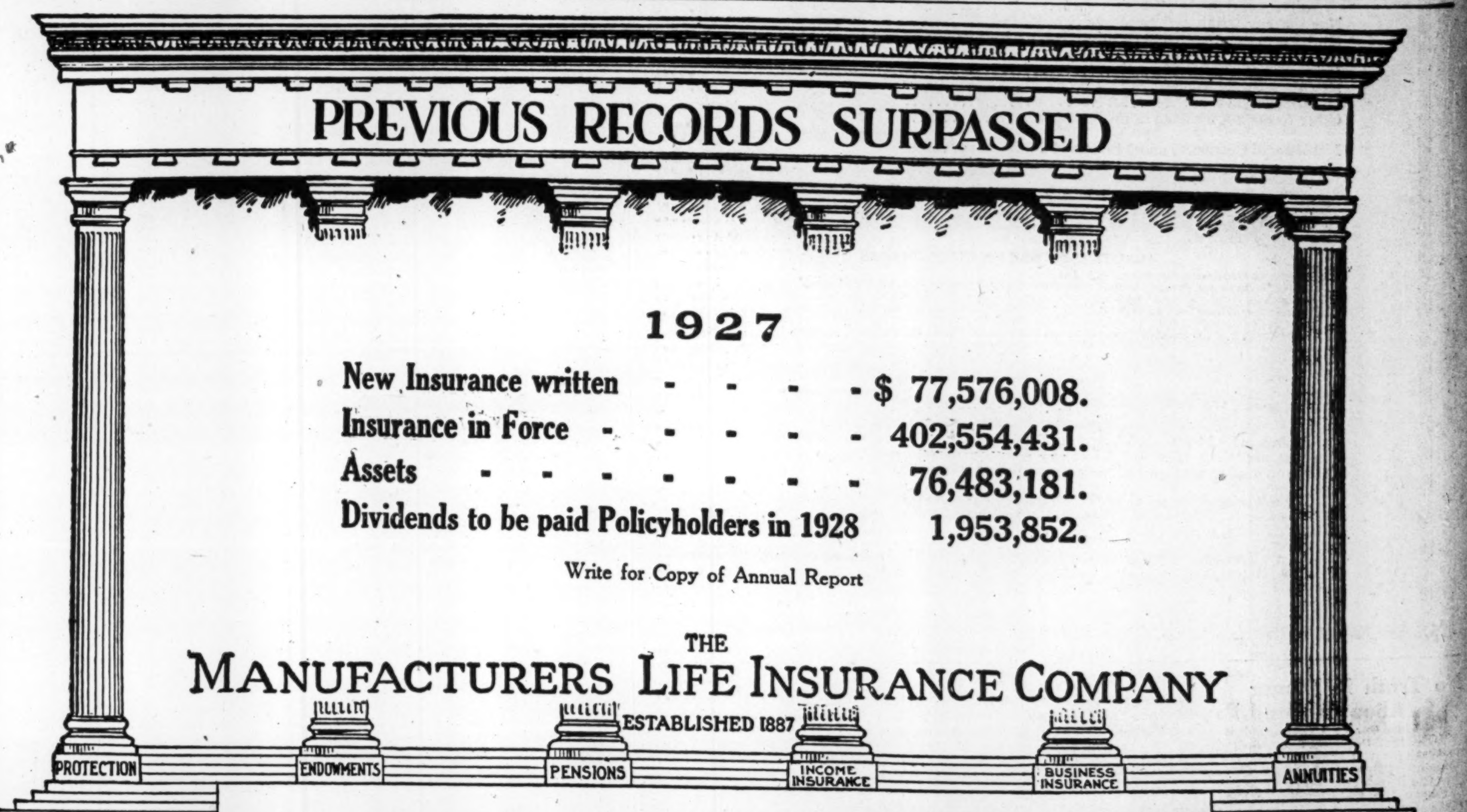
Total Assets - - - $44,068,930
Contains no speculative securities, and has grown from $8,050,000 in past ten years.

Rate of Interest earned on invested assets 6.36%.
Mortality Rate (Ordinary Branch) lowest on record.
Reserves for Policy Liabilities greater by $2,366,834 than required by Dominion Insurance Act.
Surplus Earnings greatest in the history of the Company. After meeting all Government requirements and in addition to providing for all profits due and accruing to policyholders the accumulated Surplus amounts to over $4,900,000.
Dividends to Policyholders substantially increased in 1927, establishing a new record for low net cost.

The rapid growth of The London Life is due in large part to the public demand for insurance protection at guaranteed low premiums and low net cost.

Copy of the Fifty-third Annual Report will be gladly mailed on request.

London Life
Insurance Company
"Canada's *Industrial-Ordinary* Company"
HEAD OFFICE - LONDON, CANADA



PREVIOUS RECORDS SURPASSED

1927
New Insurance written - - - - - $ 77,576,008.
Insurance in Force - - - - - - - 402,554,431.
Assets - - - - - - - - 76,483,181.
Dividends to be paid Policyholders in 1928 1,953,852.

Write for Copy of Annual Report

THE
MANUFACTURERS LIFE INSURANCE COMPANY
ESTABLISHED 1887

Featuring
Steel, Construction
Securities

THE FINANCIAL POST

Featuring
Steel, Construction
Securities

Vol. XXII. Member of Audit Bureau of Circulations PUBLICATION OFFICE: TORONTO, JANUARY 27, 1928 10c. a Copy; $5.00 a Year No. 4

PROGRESS OF STEEL INDUSTRY IS INDICATIVE OF CANADA'S PROSPERITY

STEEL SHOWS ADVANCEMENT DURING YEAR

Production, Judged by the Output, Records Progress in 1927

WESTERN CROPS AID

Future Growth Will be Measured Largely by the Ability to Hold Added Population

Production in the iron and steel industries, as judged by the output, recorded an appreciable advance in 1927. This was more pronounced in the manufacture of products, than in output of primary iron and steel. The situation, however, is better than it has been for some time, says The Financial Post Business Year Book, which goes on to point out that good crops in the West, greater construction activitity and increased industrial production, were all responsible for an improvement in demand and the advance in value of total production may be said to be equal to that of the preceding year.

Plants in the iron and steel industry are classified in 13 industrial groups, according to the principal products made. All groups show gains in the sales value of production in 1926, ranging from $7,000 in the bicycle industry to nearly $23,000,000 in the automobile industry. Details of these groups, such as number of plants, capital, value of output, principal products, etc., are shown hereunder.

Imports Into Canada

Imports of iron and steel into Canada during the calendar year 1926 were valued a $219,575,146, as compared with $166,573,076 in 1925. Of this total, almost 90 per cent. came from the United States and 7 per cent. from the United Kingdom. Exports totalled $75,602,162, as against $69,356,468 in the previous year. Of this year's exports over 10 millions went to the United States; 9 millions to Australia; 8 millions to Argentina; 7 millions to the British West Indies; 7 millions to the United Kingdom and lesser amounts to practically every country in the world.

For the eleven months ending November, 811,390 tons of steel ingots and castings were produced in Canada, including 774,124 tons of the former and 37,266 tons of the latter. This compares with a total of 718,395 tons in 1926, which figures include 687,240 tons of ingots and 31,155 tons of castings.

As President W. C. Franz, of the Algoma Steel Corporation, points out, in an article in Canadian Machinery: "The fact that the physical volume of business in steel registered approximately 64 per cent. and in pig iron 47 per cent. in October (latest figures available) in comparison with the average of activity in manufacturing generally, and that these figures were still lower in comparison with the average of all industrial production, make it very clear that certain of our industries have not made the recovery and shared in the prosperity attained by others, more fortunately situated."

Grounds For Hope

"General conditions in Canada," says Ross H. McMaster, president of the Steel Co. of Canada, in an article in the same journal, "affords ground for hopeful feelings. The position of agriculture has been improved by a lower level of commodity prices, and by the proceeds from a bountiful harvest. Mining is active and power development is proceeding steadily.

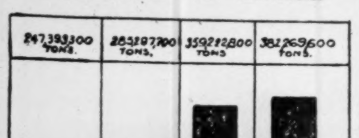
"Other primary industries," continues Mr. McMaster, "are showing progress, and with a sound financial position, the country should continue to go forward steadily, always realizing, however, that we are subject to the influences of conditions elsewhere, and that our future growth will be largely measured by our ability to attract and hold an added population."

Construction throughout the Dominion, taking all forms into consideration, had at the end of November exceeded the final totals for the entire year of 1926 by 2.8 per cent. Comparing the corresponding period of eleven months, it was ahead by 6.4 per cent. Contemplated new work so far this year totals $614,337,300, as compared with $505,905,300 for the same period last year.

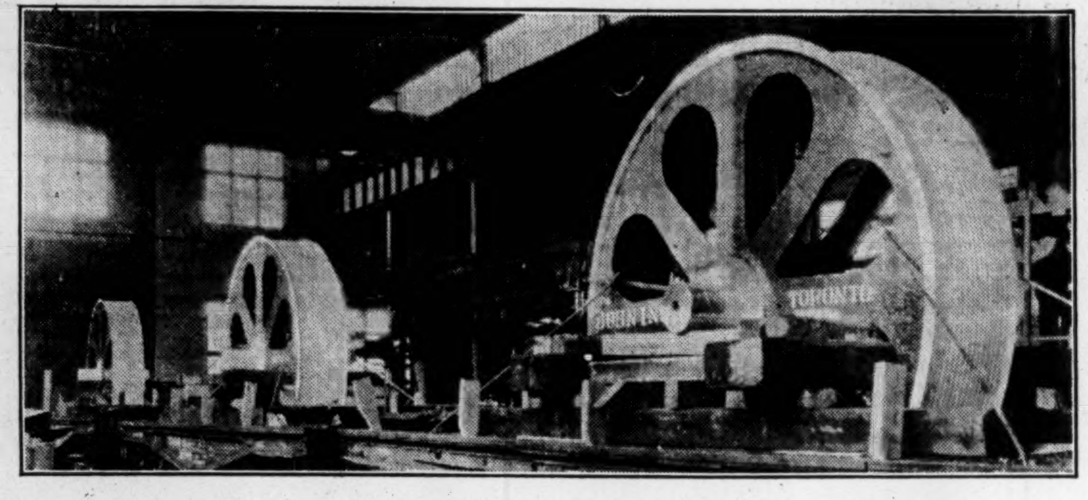
By classifications, for the first eleven months of this year business buildings are well in the lead on their record of $140,212,100, being 36.7 per cent. of all forms of construction reported during this period. Residential work stands at 30.9 per cent. on its total of $118,288,800. Engineering contracts are estimated at $85,094,500, or 22.3 per cent., while industrial work remains at 10.1 per cent., or $38,674,200.

By geographical divisions, the largest total is shown for the province of Ontario eleven months, $169,306,900 being 44.3 per cent. of all new work in Canada. $129,063,600 is shown for Quebec province, or 33.8 per cent. The prairie provinces follow with 11.8 per cent., or $45,143,600; British Columbia with 7.7 per cent., or $29,439,900, and the Maritime Provinces 2.4 per cent.

Construction in Canada



Canadian Steel Industry Keeps Abreast of Times



Above is a photograph of three sheave castings for lift bridges, new Welland Ship Canal. These are largest and heaviest castings of this type and weight ever made in Canada; they are from the plant of Dominion Foundries & Steel, Hamilton. Machine work by John Inglis Co. and J. Bertram & Sons. The diameter of the castings is 13½ feet, and the weight sixteen tons each.

Failure to Give Protection to Primary Steel Outputs Militates Against Industry

Ross H. McMaster Takes Optimistic View of the Present-Day Position

GRAY LESS HOPEFUL

Says Iron Smelting and Steel Making Has Had Depressing and Disastrous Record

"One would have expected the pig-iron production in 1927 to have shown up better in view of the increased output of steel," says Ross H. McMaster, president of the Steel Co. of Canada, in an article written for the annual review number of Canadian Machinery, December 29th. "The situation, however," continues Mr. McMaster, "has undoubtedly been affected by the blowing-in and out of furnaces for relining, etc., and the incidental accumulation of stocks, or the reverse, due to the limited number of active furnaces which have been in regular operation. It is likely, therefore, that the actual consumption of pig iron in Canada during 1927 would show an improvement over 1926, if the figures could be made available.

The relative production figures, steel compared with pig iron, are affected in a more or less important degree by trends in machine and equipment construction and, in general, these have moved in favor of steel consumption through the supplanting of castings by forgings or stampings, the latter tendency showing itself particularly in the automobile field.

Importations continue to grow and practically parallel domestic production. These embrace, it is true, certain forms of iron and steel of which we are not using sufficient tonnages to warrant their production in Canada, but, from Continental sources, have some substantial quantities of semi-finished and finished material which have made a more important impression upon the domestic situation than the actual tonnages might seem to indicate.

By far the larger share of the plant investment of any steel company is devoted to the production of iron and steel in raw and semi-finished form. Such investment is in turn, supported by coal and ore properties, making the aggregate amount much more important than the remaining investment in plant for producing the finished article. The labor employed in the manufacture of the pig iron, and, in turn, steel ingots, blooms, billets and rods is also considerably greater. It will be realized, therefore, that importations of semi-finished steel from Continental sources, have an important bearing upon the market.

Importations of Steel

A growth is also to be observed in the importations of steel in various forms, which have access to our markets without payment of duty when used for numerous specific purposes. In the aggregate, they have undoubtedly proved a cumulative deterrent against the development of the steel industry, to proportions which parallel our growth in other directions.

Progress may be recorded and some encouragement derived from the fact that reduced importations of pig iron have shown that the Canadian market is being supplied to a much greater extent, by Canadian production than during the pre-war years.

Takes Gloomy View

A less optimistic view as to the future of the primary steel industry of Canada by F. W. Gray of the British Empire Steel Corporation. Mr. Gray, in a recently published article, says that iron smelting and steel making in Canada has had a depressing and disastrous record.

"The conclusion is inescapable," says Mr. Gray, "that the part of the Canadian iron and steel industry that has prospered most is the part that is engaged in working-up imported iron and steel; and the part that has failed to prosper is the one that is engaged in the smelting of iron from its ores, and the manufacture of steel goods from iron so smelted.

"It is also an indubitable fact," continues Mr. Gray, "in regard to those Canadian enterprises engaged in the primary stages of iron and steel manufacture, that they have prospered in inverse ratio to the extent that they have utilized Canadian raw materials."

These conclusions are reached after considering the fact that there are now only four blast furnaces in active operation in Canada, compared with seventeen in operation in 1917. And on the basis of ten months' figures, it is estimated that $240,000,000 of iron and steel will have been imported into Canada in 1927, compared with estimated exports of the same commodities to the value of $65,000,000. This prospective unfavorable balance of trade of $175,000,000 compares with an unfavorable balance of $86,936,000 in 1926 and $53,163,000 in 1925.

Mr. Gray's article continues in part:

Iron ore, coal, and limestone are the three main roots that give life to and support the trunk of the iron-trades tree. No matter how wire-spreading and fruitful its branches, if this tree has its roots outside of Canada, it is not a Canadian possession.

No Iron Ore Mined

What is the iron ore situation in Canada? Production by five-year periods has been as follows:

Five-year periods ending	Production (Short tons)	Annual Average (Short tons)
1905	1,492,000	298,000
1910	1,327,000	265,000
1915	1,377,000	275,000
1920	1,028,000	206,000
1925	114,000	23,000
Years 1926-7 .	nil	nil

Let it be noted that this dismal record does not reflect on those Canadian steel companies that have endeavored to utilize Canadian-mined ores. The reverse is true. Those who are interested may refer to the Report of the Ontario Iron-ore Committee, published in 1923.

One quotation may be excerpted from this able report: namely,

"The iron and steel industry is essentially basic in the development and commercial enterprise of any country. We have succeeded in establishing a steel industry that is a credit to Ontario, that is exerting and must continue to exert a very important influence upon our future expansion, and that during the last two years of the war stood between us and failure in the manufacture of munitions. Proud as we are of this record, we must record the fact that in Ontario, and for that matter in all Canada, no iron ore is being produced, and that this all-important industry, so far as this province is concerned, is based wholly upon a rapidly dwindling foreign supply that is within measurable distance of extinction."

It may be noted, in respect of the iron-ore used in Nova Scotia, that although it is technically imported from abroad, it comes from mines owned in Canada situated in a nearby British colony; and that it would be much more cheering and constructive to see the Wabana ore used in Canada than to witness an increasing diversion of this exceptionally valuable British resource to feed European blast-furnaces, and to have it returned in the form of iron and steel imports that depress still further our native industry.

58 Per Cent. of Coal Imported

With regard to coal, only the furnaces in Nova Scotia use Canada coal. In 1926, there was used in blast-furnaces in Canada 822,000 tons of coke, representing some 1,200,000 tons of coal, of which 500,000 tons was Canadian-mined coal.

An iron-smelting industry that imports all its iron-ore and forty-two per cent. of its coal, is not a self-contained national enterprise.

The selling value of the products of the iron and steel industry in Canada reached, in 1926, the imposing total of almost 500 million dollars. Upon inspection of its components, however, some disturbing factors are disclosed.

Of a total value of 496 million dollars, there was added by manufacture 242 million dollars, leaving 254, million dollars as cost of materials. The selling value of the products of blast furnaces and rolling mills totalled 41 million dollars. As these products are the raw materials of the fabricating industries, and represent the total value of Canadian production of these raw materials, the difference of 213 million dollars worth of materials before manufacture necessarily represent imports of such material in Canada. The 41 million dollars value of primary products of Canadian origin requires also

(Continued on page 15)

Range of Steel and Construction Stocks

	Div. Rate	Yield Jan. 21	Range 1924 High	Range 1924 Low	Range 1925 High	Range 1925 Low	Range 1926 High	Range 1926 Low	Range 1927-28 High	Range 1927-28 Low	Close Jan. 21 (or last)
B.E. Steel, com.	.	...	6	⅝	4⅜	1½	3	¼	3¾	½	3
Do. 1st pref.	.	...	57¾	22	36	22	30	9	35½	10	37
Do. 2nd pref.	.	...	17	6⅝	14⅝	5	15	½	6½	1	6
Building Prod. c., ...	$1.20	3.16	..	..	..	..	..	..	40½	23¼	38
Do. pref.	7	6.66	..	..	..	..	94	83	105	93½	104
Can. Bronze, com.	.	...	..	..	..	..	..	..	79½	43	79½
Do. pref.	7	6.36	..	..	..	..	..	..	110½	98½	110
Can. Car, com.	.	...	54	36¼	57⅝	30	49	33	55¼	35	48
Do. pref.	7	7.48	97	83½	90¼	73	90	72¾	94½	85½	93½
Canada Cement, com.	.	...	93⅛	83	114	90½	128	93¾	x35¾	30	31½
Do. pref.	.	...	108	102½	117½	107	120	112	101½	93	98⅝
Can. Fairbanks, pref.	6+3†	5.82	67	64⅝	46	46	60	60	104	80	103
Canada Forgings, com.	.	...	31	19½	20	15	17	15	27	15	19
Do. pref.	†5	...	60	43	50	35	70	41½	87½	65	65
Can. Gen. Elec., com.	.	...	58½	52½	55	53	55½	47	70½	49	70½
Do. pref.	7	5.73	56½	51⅛	60	50	60	53½	63	55	61
Canada Iron, com.	.	...	8	4¾	8	8	12	8	28	12	28
Do. pref.	4	...	35	25¼	40	32	44	39	70	42	70
Can. Locomotive, com.	.	...	72⅛	60	72	35	42	35	48	25	40
Do. pref.	7	9.33	92½	73½	90	75½	89½	73	89	70	75
Cockshutt Plow, pref.	4	2.92	..	..	..	..	83⅞	57¼	139	67	137
Dominion Bridge	$2.60	3.71	84½	60	104	77	122¾	80	x76	57	70⅝
Dominion Coal, pref.	.	...	81	40	50	39¾	72	40	85	67	82
Dom. Engineering	$2.60	4.20	..	..	..	..	..	..	65	45	62½
Dominion Iron, pref.	.	...	57	24	30	20	24	5	5	1½	5
Dominion Steel, pref.	.	...	73	33	38	20½	26	10⅝	55	20	55
East. Steel Prod., com.	.	...	..	..	..	..	..	..	30	20	29
Do. pref.	7	7.07	..	..	..	..	..	..	99	97¼	99
English Elec., com.	.	...	18	8½	10	8	24½	15	18	11	18
Do. pref.	.	...	60	47	58	45	75	59½	95	72½	95
Ford Motor	15	...	485	440	512	488	622	500	475	436	..
Gotfredson	.	...	..	..	..	..	..	..	15	10	10
Gould Pumps, pref.	7	7.00	94	89⅝	100	90	100¼	100	100	100	100
Hayes Wheels, com.	.	...	..	..	..	..	..	..	34¾	26	28
Do. pref.	7	7.14	..	..	..	..	..	..	101	91	98
Kelvinator, com.	.	...	..	..	..	..	20½	9⅞	15	4	5
Do. pref.	7	10.60	..	..	..	..	94	87	95	50	66
Lyall Construction	.	...	21	9	29	11	46¼	20	63	25	47
Massey-Harris, com.	.	...	..	..	..	..	73	40	45	29	44¾
Do. pref.	7	6.45	..	..	..	..	103½	93	109¾	103½	108½
McKinnon Ind., com.	.	...	..	..	..	..	31½	15	29½	15	28½
Do. pref.	7	7.07	..	..	..	..	97½	87	99	93¼	99
Do., Vot. Trust	.	...	..	..	..	..	30½	19⅞	29½	15	28
Mitchell, J. S., com.	.	...	..	..	..	..	..	..	41	28	39
Do. pref.	7	7.03	..	..	..	..	..	..	99½	99½	99½
Nat. Brick, com.	.	...	..	..	..	..	10	8	10	4	5
Do. pref.	6	8.21	..	..	..	..	72	60	81	56	73
National Steel Car	.	...	14⅝	11	15	5	16	5	45	18¼	42½
N.S. Steel, pref.	.	...	68	34	32	21	25	20	..	..	..
Ontario Steel, com.	6	5.00	45½	39	75¼	41	78½	60	120	73	119
Do. pref.	7	6.25	93	86	102	91¼	103	98	115	100	120
Page Hersey, com.	$3	3.09	..	..	..	..	59½	43	98½	55½	97
Do. pref.	7	3.68	..	..	..	..	120	100½	194	116	190
Port Hope Sani., com.	4	2.09	61¼	48	85	53	130	74½	200	125	191
Do. pref.	7	6.03	90	90	100	88	106	99	116	90	116
Pressed Metals, com.	$3	5.55	26	10	45	15	40	30	64	34¼	54
Do. pref.	7	7.60	..	..	..	..	..	..	97	85	92
Russell Motor, com.	4	6.95	35	17½	44½	24	50	39	60	52	57½
Do. pref.	7	7.07	80	48	88	74¼	95	76	99	90⅛	99
Service Stn. Equip.	$1.60	3.55	..	..	..	..	..	..	46	31	44⅞
Steel of Canada, com.	7	3.80	84½	69½	99¼	80	119¼	96⅛	222	117	184½
Do. pref.	7	4.00	107⅜	99½	116	105	125	114	205	127	175
Sherwin-Williams, com. ...	6	3.33	129	100	135	115	148½	125	207	142	180
Do. pref.	7	5.46	106½	98½	115	104¾	120½	110½	129	117	128

x New stock.
† On arrears.

AUTO TRADE NOT SO GOOD DURING 1927

Latter Half of Year Was Not Wholly Satisfactory

DECLINE WAS SMALL

Keenness of Competition and Changes Introduced in New Models Given as Cause

Operations in the automobile industry were not wholly satisfactory in 1927 owing to the keenness of competition and the radical changes introduced in new models. For the first half of the year, production was above the record levels of 1926, but the cessation of manufacture of certain low-priced models affected output.

In the latter half of 1927, says The Financial Post Business Year Book, the majority of automobile makers were busily engaged in effecting changes incidental to the introduction of new models. This held up buying from the public, which held back until it had an opportunity of inspecting the new cars, comparing values, etc. Consequently returns for the full year did not measure up to those of 1926. The decline, however, was not particularly heavy and the aggregate value of output compares favorably with that of 1925 or other years.

Domestic Consumption

It is estimated that the apparent domestic consumption of all makes of automobiles was about 160,000. Assuming that conditions are approximately the same in Canada as in the United States, not more than 60 per cent. of the cars sold were marketed on the time payment basis. It is believed that the proportion of cash sales in this country is higher than across the line, but as the exact figures are not available it is impossible to make a true comparison.

A phase of the industry which took on added importance during the year, was the manufacture of automobile parts. On April 1st the tariff was changed whereby the 25 per cent. drawback on import duty of automobile parts, applicable when 40 per cent. of the total cost of the motor vehicle represents work done or materials supplied from within the Dominion, became effective only when at least half the total cost is expended in Canada.

In time this new ruling may cause those companies which do assembling work only, to manufacture in the Dominion. A move of this nature would prove beneficial to many allied lines, as well as creating more work and providing large expenditures on materials, etc.

Industry Investment

According to the latest government report, nearly $83,000,000 is invested in this industry. For the year 1926, aggregate production totalled $133,598,456, a new high record.

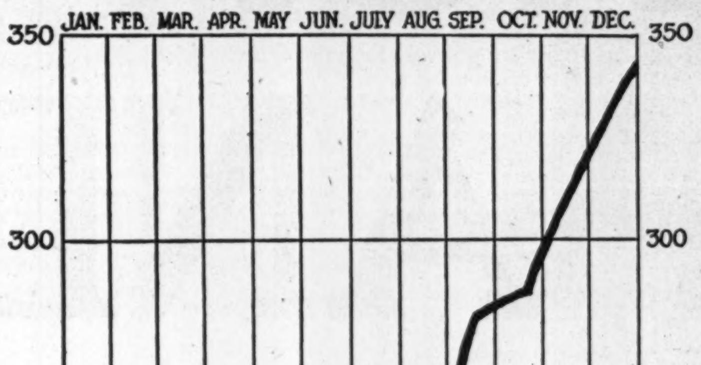
Although production in the earlier months of the year indicated a record output of motor cars from Canadian plants, there was a general decline in activity in the last six months and final figures for the year are somewhat below those of 1926. For the ten months ended October, production totalled 169,374 units having a sales value f.o.b. plant of $110,762,754. These totals marked a reduction of 10 per cent. in number and 3 per cent. in value as compared with the corresponding period of the previous year.

Details of production for first ten months follow:

January to October

	No.	1927 Selling value f.o.b. plant
Passenger—		
Open—		
2 to 3 pass.	4,434	$ 2,406,548
4 to 5 pass.	30,074	13,935,138
7 passenger	1,326	1,404,658
Total open	36,834	$17,746,344
Closed—		
2 to 3 pass.	11,756	$ 7,520,721
4 to 5 pass.	81,809	65,274,211
7 passenger	1,715	2,856,517
Total closed	95,280	$75,651,449
Trucks—		
Under 1 ton	3,720	$ 1,546,540
1 ton	16,130	6,430,488
Over 1 and under 5 ..	1,594	2,786,383
5 tons and over	....	....
Total trucks	21,444	$10,763,411
Chassis—		
Passenger	8,286	$ 3,223,695
Freight	8,170	3,035,653
Either pass. or freight	340	234,274
Total chassis ...	16,796	$ 6,493,622
Taxicabs and buses not inc. above	20	$ 107,928
Total	169,374	$110,762,754

How Steel Stocks Have Risen



Iron and Steel Industries Have 13 Chief Products

More than 101,000 persons are employed in the 1,134 plants of the Canadian iron and steel industries. The total capital employed is $592,134,000.

Salaries and wages in 1926 totalled $134,164,000, materials cost $254,385,000, the selling value of the products was $496,376,260, and the value added by manufacture was $241,990,000.

There are thirteen chief products of these plants, the principal one of which is automobiles. Next in importance are castings and forgings, followed by pig iron, steel and rolled products, machinery, agricultural implements, boilers and engines, auto accessories, railway rolling stock, bicycles, wire and wire goods, sheet metal products, hardware and tools and other iron and steel products not especially classified.

Production of Pig Iron Has Been Varied in Canada

Variation in the production of pig iron in Canada has been marked. Following are the figures, the 1927 estimate being based on figures for the first ten months:

	Gross tons
1913	1,008,006
1923	879,822
1924	593,049
1925	570,766
1926	737,503
1927 (est)...........	710,000

Styles of Automobiles Have Tendency to Change

Figures as to styles of automobiles produced in Canada show a tendency toward change on the part of the public.

Two and three passenger open cars increased to 7,334 in 1926, compared with 4,172 in 1925. Open cars of the five or four passenger type decreased from 68,486 to 60,117. Open-model seven-passenger cars increased from 1,675 to 2,131.

There was an increase in the closed model, two and three passenger, from 11,411 to 14,820, an increase in four and five passenger models from 37,570 to 66,481, and a slight increase in seven-passenger models, from 1,059 to 1,251.

Automobile Plants Reduce But More Staff Employed

There are now eleven plants manufacturing or assembling automobiles in Canada, compared with seventeen plants engaged in the same business in 1920. But while there has been a reduction in the number of plants, there has been an increase in the number of employees and amount of wages paid.

In 1920, seventeen plants employed 8,281 persons who were paid $13,330,000. In 1926 (latest year for which figures are available) there were 11,905 employees who received $19,650,000.

According to Dominion Bureau of Statistics figures, the price index number of the 32 most widely used building and construction materials averaged 147.6 over the eleven months of this year, as compared with 149.2 for 1926, 153.5 for 1925, 159.1 for 1924 and 167.0 for 1923.

STEEL STOCKS MAKE PROFITS FOR INVESTOR

Average of Five Representative Shares Advance Rapidly in Year

FEW RECEDE IN PRICE

Even Algoma and Besco Are No Worse Now, and Former Appears on Upgrade

It has been a profitable year for investors in many of the steel and steel products stocks. The chart which is shown elsewhere on this page shows the rise of the five stocks of this class which are included in the government index, and there are a number of other active stocks which also have advanced materially.

Consider the five stocks which are given in the government index:

Steel Co. of Canada in 1924 registered a low of 69½, in 1927 a high of 222 and recently it has been selling around 185. The preferred stock of this company, being participating with the common since the common has been receiving 7 per cent., has been keeping pace, in the main.

Bridge is Spectacular

Dominion Bridge has been an even more spectacular performer. Shares which a year ago were selling at 118 have been split five for one and are now selling at 72, which is the equivalent of 360 for the old stock.

Ontario Steel is a less active stock, but it touched 120 in 1927, compared with a high of 78½ the year previous.

Canadian Car and Canadian Locomotive are in the railway-equipment class and, because the railways have not been heavy buyers in the last few years, the chances of appreciation of the shares have not been so great. Canadian Car has been fairly steady, selling now at about the figure prevailing a year ago. Canadian Locomotive preferred shows some betterment in the year, indicating improvement in the outlook.

Some of the most substantial advances have been recorded by steel products stocks not considered in compilation of the government statistics.

Page-Hersey Advances

Page-Hersey common has advanced in a year from 55 to over 100. The preferred has kept pace, as it is convertible into common. Cockshutt Plow preferred has advanced rapidly, especially in recent weeks, on the belief that better business and prospects makes an early revision of the capital structure feasible. Massey-Harris, which was selling a year ago at 69, has been split four for one and is now selling above 40. Pressed Metals, selling a year ago at 36, is now twenty points higher.

As regards two of the primary steel producers which have been in an unfavorable position — Algoma Steel and Besco — the situation can be said to be no worse than it was a year ago. In fact, Algoma apparently is better off due to the efforts of the management to diversify the products to make the plants less dependent for their activity on the buying of rails.

Reorganization Nearer

No definite improvement is visible in Besco, perhaps, but it may be said that the Maritimes steel and coal industry is a year nearer that comprehensive reorganization which is essential to rehabilitation. Dominion Iron & Steel, under management of receivers, is turning out a larger volume of goods and this helps Dominion Coal.

The outcome of litigation cannot be forecast, but at least the day of settlement of controversial matters between the warring factions is not far distant. Moreover, a successful reorganization will involve some assistance from the government. This is essential to the industry and probably the government recognizes that the industry is essential to prosperity in the Maritime Provinces.

Castings and Forgings Increase 14% in 1926

335 Plants Reported in Industry in Canada with Capital Investment $91,193,541, Employing 19,183 People Whose Pay is $24,037,578

Production in the castings and forgings industry in Canada during 1926 was valued at $70,235,798, an increase of 14 per cent. over the output of $61,754,339 reported for 1925 —22 per cent. higher than in 1924 and only slightly below the value of $70,283,006 reported in 1923.

Of the 335 plants reporting in this industry, 191 were located in Ontario, 72 in Quebec, 24 in British Columbia, 16 in Nova Scotia, 12 in New Brunswick, 8 in Alberta, 6 in Manitoba, and 3 each in Saskatchewan and Prince Edward Island. These firms represented a capital investment in Canada of $91,193,541, employed 19,183 people, to whom $24,037,578 was paid in salaries and wages, consumed $2,317,468 of fuel and electricity, and by manufacturing processes added $42,985,325 to the value of purchased materials which cost $27,250,473.

Among the principal commodities produced in this industry were the following: heating and ventilating equipment worth $15,957,630; iron and steel pipe and fittings, $13,468,624 castings, $11,044,437; forgings, $2,954,624; automobile supplies, $2,650,233; boilers, $1,665,253; tinware, $1,379,942; machinery, $1,407,037; chains, other than auto, $1,202,496; cold rolled and cold drawn steel, $1,205,982; builders' hardware, $1,070,641; and many other lines such as plumbers' goods of iron, bolts, nuts, rivets, steel tubing, wire goods, tanks, valves, agricultural implements, horseshoe calks, etc.

Statistical Table for Years 1922-1926 of Castings and Forgings Industry

Year	No. of Plants	Capital Employed	No. of Employees	Salaries and Wages	Cost of Fuel and Electricity	Cost of Materials	Selling Value of Products	Value Added by Mfg.
1922	329	$80,872,431	16,484	$19,383,896	$2,074,480	$19,817,117	$54,418,262	$34,601,145
1923	321	88,325,248	19,146	23,634,438	3,116,856	26,741,217	70,283,006	43,541,789
1924	317	88,674,538	17,217	20,878,462	1,946,315	22,182,216	57,494,594	35,312,378
1925	324	84,812,441	17,120	21,039,510	1,908,345	22,522,361	61,754,339	39,231,978
1926	335	91,193,541	19,183	24,037,578	2,317,468	27,250,473	70,235,798	42,985,325

IRON AND COAL AND POWER

These Three Factors Combined with Matchless Transportation Facilities Bespeak a Substantial Future

Billions of Tons of Readily Available Iron

NEWFOUNDLAND is peculiarly rich both in the extent and the quality of its Iron deposits, and this in conjunction with their strategic location at tidewater, make them among the most important Iron deposits in the world.

The Wabana deposits at Bell Island Conception Bay certainly represent one of the largest individual ore areas in the world. It is roughly estimated that this field represents a reserve of upwards of three billion tons, and the mines in existence are producing at the rate of approximately a million tons a year.

These deposits are in three distinct beds, and the ore is a reddish-brown hematite of fine grain texture. The length of the deposit basin is set at approximately fifteen to twenty miles along the major axis, with a width of eight or nine miles. Three seams are being worked at present, the seams running from eight to twenty-six feet in thickness.

The mining is done by electricity, on a modified form of the room and pillar system. At the present time the ore is exported to Great Britain, the United States and Germany, while it is an interesting fact that while plentiful supplies of Iron ore is present in Nova Scotia, the blast furnaces of Cape Breton are almost entirely supplied from Bell Island.

While this is by far the largest and most highly developed field, there are a number of other important deposits awaiting development. Eight miles inland from St. George's on the West Coast there are large deposits of titaniferous magnetite, the outcrops alone are estimated to show 500,000 tons of ore.

At Stephenville on the Newfoundland Railway is another extensive deposit that shows 60 to 66 per cent. of metallic iron.

Limonite is found at Portland Canal, north of Bonne Bay on the Northwest Coast.

At Tilt Cove in Notre Dame Bay there is an outcropping of magnetite that gives every evidence of importance. The ore body at the outcropping is twenty-five feet in thickness.

Mining Regulations are Generous to Promoter and Prospector

THE Mining laws of Newfoundland offer every inducement to the prospector. No license to prospect is required, and the country is open to all. The Government stands ready at all times to encourage and aid any qualified undertaking, and to grant whatever assistance is necessary. As has been stated, though it is known that most of the highly mineralized formations are present in the Island, there has been no extensive survey of its possibilities, save in some sections about the seaboard. With the growing interest in the mineral possibilities of the Island, both at home and abroad, a new impetus is being felt, and there is little doubt that wider exploration will be undertaken, and there is every reason to believe that the efforts of intelligent prospectors will be crowned with success.

Mining Development is Still in its Infancy in Newfoundland but the Future is Assured

Power Makes Possible Huge Development

ONE of the largest factors in encouraging the development of the mineral resources of the Island, is the wide distribution and general availability of its latent power resources. The natural character of the Island, the lake region of the interior and the rocky nature of the terrain, all make for substantial and consistent run-off that assures sources of uninterrupted power. There is hardly a locality or section that is not amply provided with power sites adequate to meet the development needs of its section. This factor of cheap and readily available power is one of the soundest reasons for anticipating a huge development of industrial enterprises in the near future.

Situation Offers Possibilities as Steel Producing Centre

WHILE, up to the present time, all the Iron ore produced in the country has been exported, there are many factors that favor its fabrication within the country. Newfoundland has some of the most readily mined iron ore in the world. If ore can be moved to the blast furnaces of Cape Breton, where ample supplies of coal are available, there is no sound reason why coal could not be moved to these immense resources of ore. The relative loadings of the two commodities would itself be a factor in Newfoundland's favor.

Then, too, there are substantial coal reserves in the Island itself. The main coal deposits on the Island are in the St. George's district a few miles distant from the St. George's Bay Iron deposits. These deposits are conservatively estimated to represent 150,000,000 tons, in the present known areas. It is quite within the realm of possibility that these coal resources could be brought in conjunction with the splendid Iron resources to form the backbone of an extensive Steel and Iron industry.

Large tonnages of lime rock that are quarried at Port au Port on the West Coast are shipped to Cape Breton to be used as a flux in steel furnaces of Nova Scotia; this could be still more advantageously used in Newfoundland itself.

In addition Newfoundland has rich deposits of Pyrite, principally in the Baie Verte and Green Bay regions.

Chrome Ores are found in commercial quantities at Port au Port Bay and Bay of Islands.

Molybdenite ores are found at tidewater in White Bay, and in substantial commercial quantities.

In considering the possibilities of such an industry, the outstanding factor, next to the supply of raw materials, is the strategic position occupied by Newfoundland in regard to the great consuming markets. Water-borne freight would land the fabricated product at the great consuming markets of Canada and the Eastern United States, while Newfoundland is closer to the markets of the Old Land than any other point on the North American continent.

Newfoundland too is a substantial labor market represented by sturdy independent and adaptable workers.

In addition to its Coal and Iron deposits, Newfoundland has some of the greatest lead-zinc deposits in the world. It has also immense resources in copper and silver. It is a surprising showing in view of the fact that prospecting to date has been largely confined to the coastal regions of the Island.

For Any Additional Information Apply

Department of Agriculture and Mines, St. John's

NEWFOUNDLAND

Steel Company of Canada

Although Present Prices of Preferred and Common Make 7% Dividend Low Yield, Company Must be Considered One of Most Promising Industrials

Steel Company of Canada is the premier industrial investment.

The report covering the year ended December 31, 1926, was published in April last, and showed a considerable increase in earnings over the previous year. While the report for 1927 will not be available for at least two months, it is known that the company registered a further improvement in business both in the domestic and export field. Comparing the company's position from 1910 to 1926, it is observed that properties increased in value from $21,000,000 to $30,000,000 in round numbers, investments from $92,000 to $3,200,000, securities from nothing to $5,219,000, call loans from nothing to $738,000, cash from $62,000 to $498,000 inventories from $4,550,000 to $5,582,000, and total assets from $28,894,000 to $51,549,000.

In the same time the reserve increased from $131,000 to $14,517,000, profit and loss surplus from $245,000 to $10,163,000 and working capital from $3,253,000 to $12,876,000.

In 1910 no dividends were paid on the common stock. In 1916, the dividends on the common were $460,000 and in 1920 the present rate of 7 per cent. on the common was established, with a payment of $805,000.

Large sums have been spent annually in maintaining the properties in the most efficient state possible. it is said that the plants of the Steel Co. of Canada are models for plants anywhere on the North American continent. It is said further that the company can manufacture any of its products at prices to compete with any opposition which may develop from large manufacturers or small manufacturers.

Reason for Success

The reasons for the success of Steel Co. of Canada are, first excellence of management, second, diversity of products, and third, nearness of the manufacturing plants to the principal consuming markets in the vicinity of Montreal and Hamilton and Toronto. As to the excellence of management it may be said that the leadership displayed by the late Robert Hobson is being emulated aggressively by the present executive, which include men of marked ability in financing and expert knowledge of the steel industry. As to the diversity of products, it is sufficient to mention that the company manufactures everything from pig iron to copper tacks, with the exception of steel rails. For its blast furnaces it secures an excellent grade of ore from the Lake Superior region by water to Sarnia, Ont., from which point it is a direct route by rail to the blast furnaces at Hamilton. On the completion of the new Welland Ship Canal the large ore boats doubtless will be unloaded directly at the docks of the company on Hamilton Bay. The Montreal and Gananoque plants of the company likewise can be served by water.

As to the proximity to the principal consuming market, it is sufficient to point out that a large proportion of the industrial development of Canada is confined to the eastern provinces of Ontario and Quebec. It may be mentioned also that in serving markets farther away from the manufacturing plants this company is not under any material disadvantage in shipments in comparison to its principal competitors.

The company operates in all thirteen plants—four in Montreal, three in Hamilton, two in Gananoque, and one each in Toronto, Belleville, Brantford and London. The company has a third interest in 4,438 acres of coal land in the United States, from which its fuel requirements are drawn.

The company dates back to 1910, when Lord Beaverbrook, then Max Aitken, formed it to take over six companies, including Hamilton Steel and Iron Co., Montreal Rolling Mills, Canada Screw Co., etc.

Spectacular Rise

In the last year the stock has risen spectacularly. The rise followed the announcement of the sale of the Canada Cement Co. for $250 per share for the common stock. It was rumored at the time that there was a further deal in process for Steel Co. of Canada. Steel Co. of Canada was in better financial position with greater assets than was Canada Cement and it was argued with logic that the price for Steel Co. of Canada common and participating preferred shares naturally would be considerably higher.

Whether or not there were any negotiations, the fact is that the directors have decided not to sell the company. At the same time it was intimated that no immediate increase in the dividends in the preferred and common shares could be expected for the reason that the company was continuing to spend large sums for maintaining plant and equipment in the most modern state of efficiency. The Financial Post is able to say with authority that the plants of the company are now in position to meet any sort of competition which may develop in Canada. Of course, if there is another large steel plant constructed in this country, it will get some business and the volume of business remaining for the existing company may be somewhat less if there is not an entirely unexpected increase in total volume of business available.

The two other primary steel companies are in need of some assistance from the government in the form of tariff adjustments, or regulations which will afford them greater protection from outside competition. It is hardly likely that any concessions which are made to the companies operating in the Maritime Provinces and at Sault Ste. Marie will not react also to the benefit of Steel Co. of Canada.

Although the present prices of the preferred and common shares of this company make the 7 per cent. dividend a low yield on the investment, this company must be considered as one of the most promising of industrial investments so long as the country is thoroughly prosperous.

Capitalization—

	Authorized	Outstanding
Common	$15,000,000	$11,500,000
Pref. 7% cum.	10,000,000	6,496,300

Funded Debt—

Bonds 6%	10,000,000	5,909,299

First mortgage gold, due July, 1940.

Dividend Record—

Preferred dividends paid quarterly, Feb., May, Aug. and Nov. 1. Common 7 per cent. Paid same as preferred. Bonus of 1 per cent. paid Feb., 1919; 1¾ and ¾ per cent. paid Feb., 1920, making 7 per cent. for year 1919.

Officers and Directors—

Ross H. McMaster, pres.; Chas. S. Wilcox, chairman of board, Hamilton; H. M. Jaquays, vice-pres.; R. G. Wells, vice-pres.; H. T. Diplock, vice-pres.; A. J. Brown, K.C.; G. H. Duggan, Hon. Smeaton White, Montreal, C. A. Birge, Hamilton; F. G. Osler, Sir Thos. White, Toronto, and H. G. Dalton, Cleveland, H. H. Champ, vice-pres. and treas.; H. S. Alexander, asst. sec. and treas.

Income and Surplus Account, Years Ending December 31

	1927 $	1926 $	1925 $
Mfg. profits	3,247,606	2,825,607	2,510,827
Other income	396,685	335,057	356,483
Total	3,644,291	3,160,664	2,867,310
Less: deprec.	760,208	682,171	677,401
Int. on bonds	362,601	378,541	394,187
Net profits	2,521,482	2,099,952	1,795,722
Less approp.—			
Pref. divs.	454,741	454,741	454,741
Com. divs.	805,000	805,000	805,000
Sink. fd. res.	292,270	281,643	271,212
Pens. fd. res.	......	100,000	......
Emp. ben. fd.	100,000	......	......
Surp. for year	869,471	458,568	264,769
Add pr. surp.	9,293,584	8,835,016	8,570,247
Bal car. for.	10,163,055	9,293,584	8,835,016

Ten Years' Earnings—

Year	Earnings	Dividends	Surplus
1917	$6,040,318	$1,144,741	$6,197,854
1918	5,367,120	1,144,741	7,322,872
1919	4,000,940	1,259,741	8,195,302
1920	3,924,041	1,259,741	8,740,965
1921	1,778,661	1,259,741	8,298,516
1922	1,962,169	1,259,741	7,942,373
1923	2,996,580	1,259,741	8,570,248
1924	2,510,827	1,259,741	8,835,015
1925	2,825,607	1,259,741	9,293,584
1926	3,247,606	1,259,741	10,163,055

Market Record—

	1926		1927		*1928	
	H	L	H	L	H	L
Com.	120	95⅛	222	117	188	182
Pref.	126	114	205	127	179¾	175
Bonds	107½	106	107½	105	...	...

Milton Brick

Investment Interest $300,000 6% First Mortgage Bonds

Milton Brick Company is a manufacturer of pressed brick. The company has been in operation for thirty years and operates three plants, two at Milton and one at Streetsville, Ont. The capacity is 250,000 bricks per day and the properties include 500 acres of Medina shale deposits.

Investment interest in the company is limited to about $300,000 at 6½ per cent. first mortgage sinking fund bonds.

Capitalization—

	Authorized	Outstanding
Common	$1,500,000	$841,000

Funded Debt—

First mortgage 6½%, $315,000; due, $50,000 April 1, 1930; $75,000, Apr. 1, 1935, and $225,000, Apr. 1, 1940.

Officers and Directors—

J. S. McCannell, pres.; F. R. McCannell, vice-pres.; W. S. Kerman, W. J. McKenna.

Failure to Give Protection to Primary Steel Outputs Militates Against Industry

(Continued from page 13)

to have deducted from it the value of imported iron ore and coal, which is not less than six million dollars.

The following arrangement shows the situation more plainly: viz,

Year 1926	$
Total selling value of iron and steel products made in Canada	496,376,260
Deduct value added by manufacture	241,990,522
Leaving value of materials used	254,385,738
Deduct selling value of products of blasting furnaces and rolling-mills in Canada	41,257,000
Leaving balance of imported materials	213,128,688
All importations of coal and iron-ore	6,000,000
Total imported raw materials	$219,000,000

There must be added to this total of $219,000,000 the enormous importation of fully fabricated and finished articles of iron and steel that are not included therein. These include engines and boilers, hardware and cutlery, machinery, automobiles, farm implements, etc., having, in 1925, a value not possible of exact determination, but not less than 80 million dollars.

There is, therefore, imported annually into Canada some 300 million dollars worth of iron and steel products, against which all that Canada contributes to the imposing total of 500 million dollars first mentioned is 41 million dollars worth of primary products, based upon 100 per cent. imported iron ore and 58 per cent. imported coal.

This may be a steel industry, but it is decidedly not a Canadian industry.

The nationally inadequate character of the primary portion of the Canadian steel industry is certainly sufficiently apparent from this analysis, but the story is not all told by one year's figures. It is the progressive unrelenting, annual, decline that is the tragic feature of the industry. The word is deliberately selected. A tragedy it is, a national tragedy, affecting thousands of Canadian wage earners and millions of invested capital.

As the writer has stated in the columns of the press, and as was shown by detailed statistics appearing in the December issue of "Iron & Steel of Canada," the per cent. of the steel industry of Canada that is to be credited to the blast-furnace and rolling-mill plants which in 1920 was 12 per cent., was in 1926 reduced to 6 per cent., or half of what even in 1920 was a percentage dangerously low, and so meagre as to excite apprehensive thought in all students of Canada's national safeguards.

The curve of decline of the primary part of Canadian steel industry is such that if it continues for the next six years on the course that it has pursued during the past six years, it will reach zero.

Disparate Growth

Primary steel plants first became of national importance in Canada about 1900, and from this date, the industry held its own, but did not grow greatly. When at the outbreak of war, the naked necessity of these plants became apparent to everybody; they were worked to capacity, because when needed they are very badly needed. Just before the war, the disparity in growth between the primary and the secondary portions of the steel industry as it has developed in Canada, was becoming apparent, and the need for munitions gave a temporary stimulus to fabricating and assemblage industries, which had lost the greater part of its effect by 1920.

Service Station

Company's New Stock Has Been Received Favorably by Public

One of the no par value non-voting common stocks listed on the Toronto Stock Exchange in the last year has been that of Service Stations Equipment Co., Ltd., which is the successor to the Clear Vision Pump Co., organized in 1923, to manufacture gasoline pumps, air compressors, and other equipment, for service station and oil company trade.

The new stock has been received favorably by the public and the outlook for the company is considered assured. With a growing demand for gasoline and oil for motor cars and for other purposes, it would appear that this company has an excellent field in which to operate. There will always be a considerable volume of replacement of such equipment and the building of new roads constantly is increasing the demand for service stations. The company has virtually no opposition in this field in Canada. The management of Service Station Equipment Co. is the same as that of its predecessor company, which had a marked success as a private company.

Capitalization—

	Authorized and Outstanding
Class "A", no par value	45,000 shs.
Class "B", no par value, voting	25,000 shs.

Funded Debt—

None.

Dividend Record—

Dividends on Class "A", $1.60 per annum, payable 40c. quarterly, Jan., Apr., July and Oct.

President—A. L. Ellsworth.

Market Record—

	1927		x1928	
	H	L	H	L
Stock	38	31	45	37½

xTo Jan. 19.

Port Hope Sanitary

Investment in This Company is Likely to Remain Satisfactory

Port Hope Sanitary Mfg. Co. is an industrial company, the soundness of which makes it comparable with City Dairy. The common stock of the company is scarce and in the last year has risen more than 100 points. It is seldom on the market and is difficult to obtain. While the current yield is low, it is believed that the virtually impregnable position that has been achieved eventually will result in payment to shareholders of a much larger proportion of current earnings

In the last two or three years large sums have been spent in modernizing the plant at Port Hope. As the major portion of this expenditure, it is understood, already has been taken care of and it would not be surprising if an increase in the common dividend were not made soon.

This company has severe competition from two other strong companies which are subsidiaries of parents in the United States. These competitors of Port Hope Sanitary have the advantage of use of patterns originated in the factories in the United States, but despite this, Port Hope Sanitary has been able to maintain a style and quality of product which is not excelled. Business throughout 1927, it is reported, was not on so large a scale as was hoped at the beginning of the year, but the management of the company is said to be of the opinion that it obtained its share of the business and a little more. As it is fairly safe to assume that the building of dwellings and apartment houses will continue on a large scale throughout Canada, the prediction is that investment in this company will continue to be highly satisfactory.

Capitalization—

	Authorized	Outstanding
Common	$750,000	$749,500
Preferred	300,000	249,400

7 per cent. cumulative.

Funded Debt—

None.

Dividend Record—

Preferred 7 per cent. per annum, payable Mar., June, Sept. and Dec. 1. Two years' dividends to Aug. 31, 1919, were paid by the issue of $56,000 preferred stock. On common an initial dividend of 6 per cent. was paid Dec. 20, 1922; 3 per cent. paid in 1926 and 1927.

Officers and Directors—

J. A. Kilpatrick, pres.; Fred Armstrong, vice-pres. and gen. mgr.; F. J. Neale, D. M. Galloway, C. L. Jobb, W. A. H. MacBrien, G. Kilpatrick.

Income and Surplus Account, Years Ending January 31

	1927 $	1926 $	1925 $
Net op. profits	308,723	239,692	181,928
Other profits	20,870	11,045	14,179
Total	329,593	250,737	196,107
Less:			
Income tax	12,633	20,819	12,932
Depreciation	63,110	54,762	53,180
Prov for obsol.	74,000	......	......
Pl. & eq. ext.	74,000	77,000	......
Writ. off g.w.	......	99,999	106,625
Net profits	105,850	*1,843	23,370
Less approp.—			
Pref. divs.	17,458	17,458	19,524
Com. divs.	22,485	......	......
Surp. for year	65,907	*19,301	3,846
Add pr. surp.	34,373	53,674	49,829
Bal. car. for.	100,280	34,373	53,675

* Deficit.

Seven Years' Earnings—

Year	Earnings	Dividends	Surplus
1920	$ 69,292	$87,593	$ 54,592
1921	91,211	31,920	75,928
1922	203,785	76,890	49,130
1923	198,407	28,442	49,829
1924	181,928	19,524	53,674
1925	239,692	17,458	34,373
1926	308,723	39,943	100,280

Market Record—

	1926		1927		*1928	
	H	L	H	L	H	L
Pref.	106	99	90	55½	98½	85
Com.	130	74½	180	116	194	171

* To Jan. 19.

Eastern Steel

Company Ranks as Business Man's Investment and is Promising

Eastern Steel Products is a company organized in 1927 to take over the business of the Metal Shingle and Siding Co., Ltd., with factories at Preston and Montreal, and the A. B. Ormsby Co., Ltd., with a factory at Toronto. Preferred stock was issued under excellent auspices at $100, or par, the yield being 7 per cent. With each two shares of preferred was issued as a bonus one share of common stock. Both stocks are listed on the Toronto Stock Exchange and the appreciation in principal in the intervening months amounts to 12 per cent.

The company, as its name indicates, manufactures metal shingles and many other forms of galvanized metal products, including corrugated products for barns and other farm buildings.

The business is managed by A. K. Cameron, vice-president of the company, who has been with the company for many years. The other directors are Cyrus Dolph, James Playfair, Frank M. Ross, and Harold A. Greene.

The company is soundly financed. There is no funded debt and no fixed charges ahead of the preferred stock. No bonds are authorized, moreover, without the consent of two-thirds of the preferred shareholders.

The company ranks as a business man's investment and is promising in its class.

Capitalization—

	Authorized	Outstanding
Common	100,000 shs.	35,500 shs.
(No par value)		
Prior pref. 7% ...	$750,000	$550,000
2nd pref.	300,000	300,000
(Par $100)		

Funded Debt—

None.

Officers and Directors—

Cyrus Dolph, pres.; A. K. Cameron, vice-pres.; J. G. Lorriman, mgr. of Preston plant; W. S. Cameron, in charge of Toronto subsidiary; James Playfair, F. M. Ross, H. A. Greene.

—Market Record—

	1927		x1928	
	H	L	H	L
Common	25	20	30	23
Preferred	..	..	99	97¼

xTo Jan. 19.

Ford Motor

Balance Sheet Shows Conservative Financial Policy

As the only company in Ford vertical trust in which there is an opportunity for public investment, the Ford Motor Co. of Canada occupies a unique position. The stock, however, must be considered a rich man's investment in view of the fact that it sells for several hundred dollars per share and on a basis of a somewhat low yield. The trading is confined entirely to the New York Curb market.

The introduction of new Ford models which attracted an amazing public attention, has stimulated interest in the stock and its friends are predicting that it will do very much better in the next year or two owing to the increased production of the Ford motor cars.

The main Ford factory of the Canadian company is at Ford, Ont., near Walkerville. There are assembly factories and factory branches in many other centres of Canada. The Canadian company exports to most of the British countries.

The company's balance sheet, as is to be expected, shows a conservative financial policy, which will react to the benefit of the shareholders.

Capitalization—

	Authorized	Outstanding
Common	$10,000,000	$7,000,000

Par value, $100.

Funded Debt—

None.

Dividend Record—

Dividends have been paid as follows: 1905, 6 per cent.; 1908, 10 per cent.; 1909, 25 per cent.; 1910, 100 per cent.; 1911, 100 per cent. and 500 per cent. in stock; 1912, 20 per cent. and 33 1-3 per cent. in stock; 1914, 10 per cent.; 1915, 110 per cent.; 1916, 600 per cent. in stock; 1917, 5 per cent.; 1918, 5 per cent.; 1919, 35 per cent.; 1920, 15 per cent.; 1921 and 1922, 30 per cent.; 1923, 10 per cent.; 1924, 10 per cent.; 1925, 20 per cent.; 1926, 10 per cent.; 1927, 15 per cent.

Officers and Directors—

Edsel B. Ford, pres.; W. R. Campbell, 1st vice-pres. and treas.; Geo. E. Dickert, 2nd vice-pres.; P. W. Grandjean, sec. and asst. treas.; Henry Ford, P. E. Martin.

Surplus and Profits Year Ending

	Dec. 31, 1926 $	5 Mos. end. Dec. 31, 1925 $	July 31, 1925 $
Net profts	5,341,177	974,317	6,132,327
Adjust. of claims and tax	135,871	......	......
	5,477,048	974,317	6,132,327
Reserve	500,000	......	340,000
Adjust. of tax	......	......	975
Dividends	700,000	700,000	1,400,000
Surp. for yr.	4,277,048	274,317	4,391,352
Prev. surp.	24,275,530	24,001,213	19,609,861
Total surp.	28,552,578	24,275,530	24,001,213

Six Years' Earnings—

Year	Earnings	Dividends	Surplus
1921	$2,368,407	$1,050,000	$ 9,518,934
1922	5,139,665	2,100,000	12,537,972
1923	5,106,198	1,050,000	16,594,170
1924	3,719,188	700,000	19,609,861
1925	6,132,327	1,400,000	24,001,213
1925*	974,317	700,000	24,275,530
1926	5,341,177	700,000	28,552,578

Market Record—

	1925		1926		1927	
	H	L	H	L	H	L
Stocks	512	488	622	500	475	436

*5 months.

Welland Steel Castings
Limited

ELECTRIC STEEL CASTINGS
1 Pound to 5000 Pounds

WELLAND, ONT.

General Steel Wares

Consolidation Has Increased Net Earnings from Properties, and Administration Rests in Capable Hands

General Steel Wares, Ltd., came into being recently and was financed by an issue of bonds and preferred stock. The company owns and operates the McClary Mfg. Co. at London, the Sheet Metal Products Co. at Toronto, the Thomas Davidson Mfg. Co. at Montreal, the MacDonald Mfg. Co. at Toronto and the Happy Thought Foundry Co. of Brantford.

All these companies are engaged in similar lines of activity and in one direction only, namely, sales, the new company has effected a material reduction in its overhead costs. The five separate sales departments are being consolidated under one head. The General Steel Wares' production includes staple and domestic products such as enamel, aluminum, nickel, copper and sheet metal kitchen utensils, stove pipes, lanterns, milk cans, plumbing fixtures, shovels, refrigerators and a full range of hotel equipment supplies. The company also produces a full range of electric, gas, coal and wood domestic stoves.

Three Management Shares

The control of General Steel Wares is held by three management shares, the holders of which have the right to elect and to remove from office the directors of the company during the next five years. These preferred shares are held: one by a nominee of the underwriters of the company's securities, one by a nominee of those interested in the formation of the organization and the third will be nominated by these two appointees. At the time the preferred shares and bonds of the new company were offered the public, the consolidated earnings of the component companies for 1926 amounted to more than twice the interest requirements of the present preferred stock, without taking into consideration depreciation requirements. Although the company has been in existence only a month or two, earnings to date, The Financial Post learns, are substantially in excess of what might have been anticipated from the former earnings of the component companies.

From an investment standpoint, the two outstanding points about the company are, first, that the consolidation has increased already the net earnings from the properties, and second, the fact that the administration of the company rests in strong and able hands. J. C. Newman, who is president, has been eminently successful in his other undertakings.

Capitalization—

	Authorized	Outstanding
Common	200,000 shs.	200,000 shs.
(No par value)		
Pref. 7% cum. ..	$10,000,000	$4,500,000
(Par $100)		

Funded Debt—

First mortgage 6% Series "A", due 1952, $9,000,000.

Officers—

J. C. Newman, pres.; F. S. Corrigan, vice-pres. and gen. mgr.; W. S. Gibson, vice-pres. in charges of sales.

Hayes Wheel

To be Less Dependent on Automobile Industry, Company Would Include Other Lines

Hayes Wheel & Forgings, Ltd., is the largest manufacturers of automobile wheels in Canada. The company is a consolidation of the Hayes Wheel Co. of Canada, Ltd., of Chatham, Ont., with the Canadian Hardwood Co. Ltd., of Toronto and its subsidiaries. The Hayes Wheel Co. of Canada was formed in 1916 and was successful from the time of organization. In 1922 the company adopted a policy of expansion in its operations, first absorbing General Forgings & Stampings, Ltd. In 1926 a subsidiary for the manufacture of automobile wheels was established in Stockport, England. The Canadian Hardwood Co., and its subsidiaries were successful manufacturers of carriage and wagon wheels and such goods.

In addition to the manufacture of automobile parts, the company recently has been looking around with a view to establishing a market for other lines which would make the company less dependent on the automobile industry. The automobile industry in the past has been singularly free from vicissitudes, but it is felt to be possible that the immediate future may not be entirely satisfactory because a price war is likely.

Taking the long view, however, it is fairly safe to believe that Hayes Wheel & Forgings should be a satisfactory investment. While it is likely that automobile manufacturers gradually will produce more of the parts which are now manufactured by other companies, it is improbable that a company such as this will fail to find a market or that any changes are probable which would not react in the main to the benefit of shareholders.

The company is equipped to produce 4,000 wheels, 250 rear axles and 350 front axles per day. Recently, plans were completed to manufacture a new type of bumper. The company's export business is well established, products being shipped extensively to Great Britain and many other European countries.

Capitalization—

	Authorized	Outstanding
Common	100,000 shs.	50,000 shs.
(No par value)		
Preferred 7% ...	$1,500,000	$650,000
(Par $100)		

Funded Debt—

First mortgage 6%, due 1942, $600,000.

Dividend Record—

Preferred 7% per annum, payable quarterly Jan., Apr., July and Oct. 1.

Officers and Directors—

Officers—Hon. J. D. Chaplin, pres.; C. B. Hayes, vice-pres.; Wm. Kistler, gen man.; A. D. Chaplin, treas.; W. R. Peck, sec. Directors—Hon. J. D. Chaplin, C. C. McGhie, St. Catharines, Ont.; C. B. Hayes, Jackson, Mich.; Wm. Kistler, W. A. Wecker, A. D. Chaplin, Chatham; F. N. Hara, Merritton, Ont.; H. D. Hartley, Indianapolis, Ind.; Oscar Hennie, Gananoque, Ont.; D. J. McLean, Lindsay, Ont.; J. H. Ratcliffe, Toronto.

Earnings—

	Earnings from Operations	Net Earnings
1924	$224,256	$117,088
1925	369,434	250,585
1926	439,107	315,677

Market Record—

	1927		x1928	
	H	L	H	L
Common	34½	26	31½	26¼
Preferred	101	91	100	98

xTo Jan. 19.

Pedlar People

Bonds Deserve High Ranking as an Industrial Investment

The Pedlar People, Limited, of Oshawa, are manufacturers of all kinds of sheet metal products, including roofing material, metal ceilings, store fronts, eavestroughing, automobile fenders, gasoline tanks, mufflers and soforth.

The only public investment in this company is an issue of 8 per cent. mortgage bonds, of which there are about $350,000 outstanding. These bonds occupy and deserve high ranking as an industrial investment.

Capitalization—

	Authorized	Outstanding
Capital stock	$400,000	$400,000

(Stock is closely held. Par $100)

Funded Debt—

First mortgage 8 per cent. bonds, due $25,000 annually, Jan. 1, 1928, to 1940 inclusive, and $50,000 Jan. 1, 1941; outstanding, $375,000.

Officers and Directors—

W. R. Geikie, pres. and gen. mgr.; S. R. Pedlar, vice-pres.; F. L. Mason, M. H. Ludwig, E. B. Northwood.

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Simplest, speediest system yet invented. Errorproof. Requires no card indexing. GUARANTEES filing and finding in less than 10 seconds.
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Power -in HARNESS

SURGING tides and wilderness waterfalls obey your whims. Your finger, pressing the electric switches with which your home is equipped, releases for your service and convenience powers undreamed of by earlier generations.

Four and a half million horse-power hydro-electric energy approximately has been developed at present to build Canadian industries, light Canadian cities and homes, transmit sound over telephone and telegraph lines, and operate street railways.

Seven times as much more is awaiting development . . . waiting to serve the greater Canada of tomorrow.

Today everyone accepts electric light, heat, power and the telephone as commonplaces—prosaic things rather than the products of romance. Yet, at its source, the power you use is sufficient to destroy cities. It is useless as an active national asset and everyday convenience but for the fact that it can be transmitted in commercial quantities for safe use in homes and factories. Cables, wires and equipment are needed to carry the electric power in sufficient quantities to fill the needs of city and country, and to divide and subdivide that volume until you may use it simply and with safety by merely pressing a switch.

We are proud of the skill of our craftsmen who work year after year in NORTHERN ELECTRIC plants to create, and constantly improve, so much of the material necessary to harness those tremendous water-powers and to carry electric current safely to you for your comfort and benefit.

Northern Electric
COMPANY LIMITED
Equipment for Transmitting of Sound and Power

Information...
The story of this service to Canada and its part in the common task of nation-building will form the subject of a series of announcements to be published from month to month in the newspapers and periodicals throughout the Dominion

834

Fairbanks-Morse

Improved Position is Amply Evidenced by Management's Decision to Resume Preferred Dividend

When the annual report of the Canadian Fairbanks-Morse Company covering the year just concluded makes its appearance some time in March, it is understood that profits will be larger than in 1926 and that the balance sheet will again reveal a substantial betterment in the company's already strong liquid position. With the general all-round improvement in Canadian business, the Fairbanks-Morse appears to be working steadily into a bettered position.

The plants are located at Sherbrooke, Toronto and Montreal; warehouses are located at all the chief cities of the Dominion. The company is mainly engaged in manufacturing equipment for industrial and agricultural purposes. Its output includes a wide variety of lines. One of the reasons for the slump in its earning power in recent years was the reduced buying power of Western Canada.

The results which will be obtained during the current year depend on the general level of business throughout the Dominion, for the company is dependent for its profits on such a wide variety of commodities. The outlook at the present time is satisfactory. The improving position of the company is amply evidenced by the management's decision to resume preferred dividend during the past year.

Capitalization—

	Authorized	Outstanding
Preferred 6% cum.	$1,500,000	$1,500,000
Common shares	125,000	80,000

No par value.

Funded Debt—

None.

Dividend Record—

Preferred 3 per cent. each six months, payable Jan. 15 and July 15. Passed for years 1924, 1925 and 1926. Resumed by payment of 1½ per cent. Apr. 15, 1927. On arrears 3 per cent. paid Nov., 1927.

Common, 1917, 27¼ per cent.; 1918, 18 per cent.; 1919, 8 per cent.; 1920, $2.64 per share. None since.

Officers and Directors—

Officers—Thos. McMillan, pres.; H. J. Fuller, chairman; P. C. Brooks, vice-pres.; H. F. Walker, vice-pres., sec. and treas.; T. M. Cullen, asst. treas.; C. J. Brittain, vice-pres. and sales manager.

Directors—H. J. Fuller, P. C. Brooks, New York; C. J. Brittain, Thomas McMillan, C. G. Dringwater, Montreal; C. H. Morse, W. E. Miller, R. H. Morse, F. M. Boughey, Chicago.

Income and Surplus Account, Years Ending December 31

	1926	1925	1924
	$	$	$
Net earn.	324,701	244,010	56,083
Other income	......	......	45,898
Total	324,701	244,010	101,981
Less:			
Interest	32,012	39,002	68,962
Pension fd.	16,898	14,146	14,998
B. debts & tax.	31,131	35,231	......
Deprec.	24,058	32,961	29,619
	104,099	121,340	113,579
Total	220,602	122,670	*11,598
Less approp.—			
Red. on surp.	93,542	5,865	7,310
Res. for B. d.	......	......	160,117
	93,542	5,865	167,427
Surp. for year	127,060	116,805	*179,025
Add pr. surp.	1,821,986	1,705,182	1,884,207
Bal. car. for.	1,949,046	1,821,987	1,705,182

* Deficit.

Ten Years' Earnings—

Year	Earnings	Dividends	Surplus
1917	$1,033,817	$517,000	$1,340,440
1918	1,310,598	378,000	1,762,538
1919	625,150	218,000	2,076,607
1920	279,562	313,153	3,726,699
1921	*1,361,004	90,000	2,168,760
1922	104,709	90,000	2,058,693
1923	139,166	90,000	1,884,206
1924	101,981	......	1,705,182
1925	244,010	......	1,821,987
1926	324,701	......	1,949,046

* Loss.

Market Record—

	1926		1927		*1928	
	H	L	H	L	H	L
Pref.	60	60	104	80	103	103

*To Jan. 19.

P. Lyall & Sons

In all, the P. Lyall & Sons Construction Company has some $7,000,000 of work in hand. The company still has $3,000,000 of work to complete on the new Welland Canal; also through a wholly-owned subsidiary, Steel Gates, Limited, the company is building the gates of the new canal. The canal job will not be finished for another two years. In about a year's time the company will complete also its Toronto viaduct contract.

During the past year, the various jobs which the company has on hand have been proceeding satisfactorily. While 1927 has witnessed a great increase in building activity, yet competition has been keen and the margin of profit has been small.

Capitalization—

	Authorized	Outstanding
Common	$1,750,000	$1,750,000
Preferred	1,750,000	1,300,000

7% cumulative.

Funded Debt—

First mortgage, 6 per cent. bonds, due 1923, authorized $1,250,000, outstanding $463,400.

Dividend Record—

Preferred 7% per annum, payable Feb. and Aug. Paid regularly since 1913. Common reduced from 8% to 4% per annum for quarter ending Dec. 31, 1921. Passed for quarter ended March 31, 1922, and since.

Officers and Directors—

William Lyall, pres. and man. dir.; T. O. Lyall, vice-pres. and treas.; Hugh Mackay, K.C.; H. W. Beauclerk, J. W. Pyke, Jas. Ballantyne, C. R. Redfern, Robt. Whyte, sec.

Income and Surplus Account, Years Ending March 31

	1927	1926	1925
	$	$	$
Net earnings	234,428	262,292	260,121
Less—			
Bond int.	29,410	34,074	40,574
Bond redempt...	80,000	73,500	71,200
	109,410	107,574	111,774
Net profits	125,018	154,718	148,347
Less appropriations—			
Pref. div.	91,000	91,000	91,000
Surplus for year.	34,018	63,718	57,347
Add prev. surp...	479,634	415,916	358,569
Bal. carried for...	513,651	479,634	415,916

Ten Years' Earnings—

Year	Earnings	Dividends	Surplus
1917-18	$1,491,082	$161,000	$365,852
1918-19	1,314,582	231,000	402,001
1919-20	377,734	231,000	438,071
1920-21	375,265	231,000	472,099
1921-22	240,738	213,500	389,219
1922-23	161,097	91,000	349,331
1923-24	210,698	91,000	358,569
1924-25	260,121	91,000	415,916
1925-26	262,292	91,000	479,634
1926-27	234,428	91,000	513,651

Market Record—

	1926		1927		*1928	
	H	L	H	L	H	L
Com.	48	20	63	25	47	47
Bonds	94¼	92	95¼	94	98¾	98¾

*To Jan. 19.

Pressed Metals

Cash Position is Excellent — Management is Efficient

Pressed Metals of America is the company formed three years ago to take over Pressed Metals of Canada and its subsidiary, American Bushings Co. Pressed Metals of Canada was a spectacular stock during the war, selling up to 300, when the company was using its patented material as filler for shrapnel cases. Following the war the company had to find a new use for its product. It is now engaged exclusively in the manufacture of bushings for automobiles and recently developed devices for more economic manufacture enables the company to meet competition for this material. The immediate outlook for the company is considered to be excellent but the conservatively inclined are reminded that the company is a one product concern, and that the development of the new type of bushing for automobile engine bearings might be inopportune for this company.

The company's cash position is excellent and with manufacture concentrated in one factory at Marysville, Mich., great economies are possible. The company has a vacant factory building in Detroit, but it is hoped that this will be sold to advantage eventually.

The company is under the same efficient management which has distinguished it heretofore.

Capitalization—

	Authorized	Outstanding
Common	$7,500,000	$2,213,100
Preferred 8% cum. ..	500,000	319,500

Dividend Record—

On new preferred 1¾ per cent. paid Apr. 1927, and quarterly since. On old preferred 8 per cent. per annum paid to Dec., 1920; none thereafter until 2 per cent. Feb. and May, 1926. On new common $3 per annum; paid 75c. quarterly Jan., Apr., July and Oct. 15. On old common 1 per cent. paid Nov., 1918.

Officers and Directors—

J. W. Leighton, pres.; C. C. Peck, chairman; W. Dalziel, sec.-treas.; H. L. Nussbaum, asst. treas.; S. Goldsmith, A. Pardoe, A. Holden, M. Rosenberg.

Income and Surplus Account, Years Ending December 31

	1926	1925	1924
	$	$	$
Oper. profits	127,587	64,795	†50,673
Other rev.	....	......	18,588
	127,587	64,795	†32,085
Less: deprec.	44,396	45,203	50,975
Net profits	83,191	19,592	†83,060
Less approp.—			
Red. value of metal	......	2,371	22,773
Written off organ., etc.	......	......	18,659
Surp. for year	83,191	17,221	†124,492
Add pr. surp.	*62,566	58,125	182,617
Bal. car. for.	145,757	75,346	58,125

† Deficit. * Less $12,780 dividends paid by Pressed Metals Co. of Canada.

Five Years' Earnings—

Year	Earnings	Dividends	Surplus
1922*	$ 11,821	......	$114,851
1923†	103,244	......	182,617
1924	50,673	......	58,125
1925	64,795	......	75,346
1926	127,587	......	145,757

* Year ended Feb. 28.

† Commencing Dec., 1923, figures of American Bushings included.

Market Record—

	*1926		1927		†1928	
	H	L	H	L	H	L
Com.	40	30	64	34¼	58	50
Pref.	..	..	97	85	..	..

* Old company.

† To Jan. 19.

Canada Cement

Common Holders May Have to Wait Before Development Catches Up Market Valuation

Towards the close of 1927 the Canada Cement Company changed hands at a price which netted the old common shareholders $250. per share. Since then, the company has been re-capitalized and new bonds and new preferred shares have been offered publicly. The new bond issue and new preferred are both satisfactory securities in their respective classes.

A certain amount of investment comment, though, centres on the possibilities of the new common stock. The present prices for the common stock discount, apparently far into the future, the potentialities of the company. At the present market's valuation of the common shares, the company has a capitalization about twenty per cent. greater than the figure at which the property changed hands a month or two ago. In other words, according to the present price of the common stock, the market value of the property is 120 per cent. of the figure at which the former management thought the property was a satisfactory sale. Hence, it is often felt that at present levels the common stock is selling high. But in view of the past record of Canada Cement, any forecast that the stock will sell at much lower levels would most certainly be unwise, particularly as everything indicates a promising future for the organization.

The Canada Cement Company is the predominant producer of cement in the Dominion. True, it experiences some competition with the National Cement in Montreal and one or two very small independent producers elsewhere in Canada, but broadly speaking the Canadian requirements of cement are largely filled by the company.

Large Output

Around four-fifths of the total output of cement in the Dominion is produced by the company. The total volume of cement consumed depends chiefly on the construction activities which prevail throughout the Dominion. The past two years have witnessed a decided increase in the amount of cement consumption and with the industrial and hydro-electric developments at present in view, there is little reason to doubt that the demand in future will show the increases of former years.

The income accounts of the predecessor Canada Cement Company can hardly be said to reveal the progress which that undertaking made under the presidency of Frank P. Jones. To see the real progress of Canada Cement in past years, it is necessary to compare the balance sheets of the predecessor company. During a term of years the company steadily and substantially decreased the total fixed assets standing on its books and steadily increased the total of its current assets and investments.

The Canada Cement Company was originally incorporated in 1909 as a merger of twelve producing companies. The present company operates fifteen mills situated in Quebec, Ontario, Alberta, and Manitoba; in addition it is understood that it holds securities of U. S. cement producers. The company's investment account is made up of securities in many companies, the largest of which is the Consumers Glass Company, a leading glass manufacturer in the Dominion. The business of this subsidiary, it is understood is steadily improving. Canada Cement also owns gypsum mines.

The record of the old company coupled with the general business progress and business expansion in the Dominion are the chief factors which combine to make the outlook for the new company extremely satisfactory. As far as the holders of the common shares are concerned, it may be some time yet, though, before the company in its development catches up to the market's valuation of its common stock.

Capitalization—

	Authorized	Outstanding
Common .... No par value.	750,000 shs.	600,000 shs.
Pref. 6½% .... Par $100	$17,000,000	
Preferred .... Par $5.	8,000,000	$21,000,000

Funded Debt—

First mortgage 5½ per cent. due 1947, $20,000,000. The 6 per cent. bonds of the old company are to be redeemed Mar. 31, 1928, at 110.

Dividend Record—

Preferred dividends of the old company paid regularly since Jan. 1, 1910; payments quarterly Feb., Mar., Aug. and Nov. 16. Initial dividend of 3 per cent. on common stock paid for 1915, 4½ per cent., 1916; 6 per cent. in 1917, and quarterly thereafter.

Officers and Directors—

A. C. Tagge, pres.; J. D. Johnson, vice-pres. and gen. mgr.; H. L. Doble, vice-pres. and comptroller, F. B. Kilbourn, gen. supt., Sir H. Holt, J. H. Gundy, F. P. Jones.

Bond int.	287,897	307,459	326,190
Reserves	405,962	401,570	273,500
	693,859	709,029	599,690
Total	1,580,148	1,684,977	1,605,900
Less approp.—			
Pref. divs.	735,000	735,000	735,000
Com. divs.	810,000	810,000	810,000

Income and Surplus Account, Years Ending December 31

	1926	1925	1924
	$	$	$
Net earn. *	2,274,007	2,344,006	2,205,590
Less—			
	1,545,000	1,545,000	1,545,000
Surp. for year	35,148	89,977	60,900
Add pr. surp.	1,356,426	1,266,450	705,550
Trans. from ins. reserve	......	......	500,000
Bal. car. for.	1,391,574	1,356,427	1,266,450

* After depreciation.

Ten Years' Earnings—

Year	Earnings	Dividends	Surplus
1917	*$2,861,246	$1,545,000	$2,576,999
1918	*2,215,708	1,545,000	2,677,643
1919	3,057,553	1,545,000	1,424,857
1920	2,362,742	1,545,000	898,970
1921	2,636,460	1,545,000	614,000
1922	*2,403,101	1,545,000	653,158
1923	*2,235,439	1,545,000	705,550
1924	*2,205,590	1,545,000	1,266,450
1925	*2,344,006	1,545,000	1,356,427
1926	*2,274,007	1,545,000	1,391,574

* After allowing for depreciation.

Market Record—

	1926		1927		*1928	
	H	L	H	L	H	L
Com.	128	98	35¾	30	33	31
Pref.	120	113	101½	93	99	97½
Bonds	103	100½	103¾	100¼	..	..

* To Jan. 19.

Canada further consolidated her position as the world's leading newsprint producer in 1927, producing 2,086,949 tons of newsprint, an increase of 11 per cent. over 1926, or 601,454 tons more than the United States, which accounted for 1,485,495 tons, or 12 per cent. less than in 1926.

ANGLIN - NORCROSS
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Contracting Engineers
and Builders

MONTREAL: TORONTO

Canada Iron

For the fiscal year just concluded it is anticipated that the Canada Iron Foundries earnings will be proportionately the same, because last year the company changed the date of the end of its fiscal year from September 30 to December 31; hence the actual figures will be larger than in the preceding year as they will cover a fifteen month period. The outlook for the company seems to be improving a little. Earnings in 1928 should not be less than in 1927.

A year or so ago the Canada Iron Foundries began manufacturing equipment used by the pulp and paper industry; in this field it has found a fair market for its new lines.

The plants are located at Three Rivers, Fort William, St. Thomas and Hamilton, where the production consists solely of cast iron in various forms. The plants have a large output of iron pipe and, in addition, manufacture cast iron wheels and brake shoes.

Capitalization—

	Authorized	Outstanding
6% non-cum. pfd. ..	$4,500,000	$3,877,800
Common	1,800,000	1,598,800

Funded Debt—

6 per cent. first mortgage debenture
due 1939, $587,000.

Dividend Record—

4 per cent. paid on preference in
4 per cent., 1921; none thereafter
Dec., 1923, when 2 per cent.
3 per cent., Jan., 1925; 4 per cent.
1926, and Jan., 1927. None paid on

Officers and Directors—

V. J. Hughes, pres.; C. L. Jobb,
F. Perry, chairman of board; T. McC.
chinson, J. T. McCall, F. B. Richards,
McLean, sec.-treas.

Profit and Loss—

	1925	[illegible]
Earnings	$350,209	[illegible]
Int. and exchange	76,333	[illegible]
	$426,542	[illegible]
Depreciation	195,059	[illegible]
Deb. interest	64,491	[illegible]
Maintenance	9,891	[illegible]
Pref. dividend	155,112	[illegible]
Balance	$ 1,989	x$ [illegible]
Prev. balance	19,153	[illegible]
Surplus	$ 21,142	$ [illegible]

xDebit.

Nine Years Earnings—

Year	Earnings	Dividends	[illegible]
1918	$617,358	$	$ [illegible]
1919	589,043	......	[illegible]
1920	652,946	155,112	[illegible]
1921	300,842	155,112	[illegible]
1922	115,350	......	[illegible]
1923	348,518	77,556	[illegible]
1924	339,769	116,334	[illegible]
1925	350,209	155,112	[illegible]
1926	320,027	155,112	[illegible]

Market Record—

	1926		1927		[illegible]	
	H	L	H	L	H	[illegible]
Common	12	8	28	12	..	[illegible]
Preferred	44	39	60	42	70	[illegible]

xTo Jan. 19.

DOMINION BRIDGE CO.
LIMITED
Montreal, P.Q.

ENGINEERS, MANUFACTURERS and
ERECTORS of STEEL STRUCTURES

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P.O. Address, Montreal, P.Q.

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Toronto, Ottawa and Winnipeg

Sales Offices: Montreal, Ottawa, Toronto, Winnipeg, Regina, Edmonton, Vancouver.

"Establishing a New Standard in Automobiles"

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A COMPLETE NEW SERIES OF

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Automobiles

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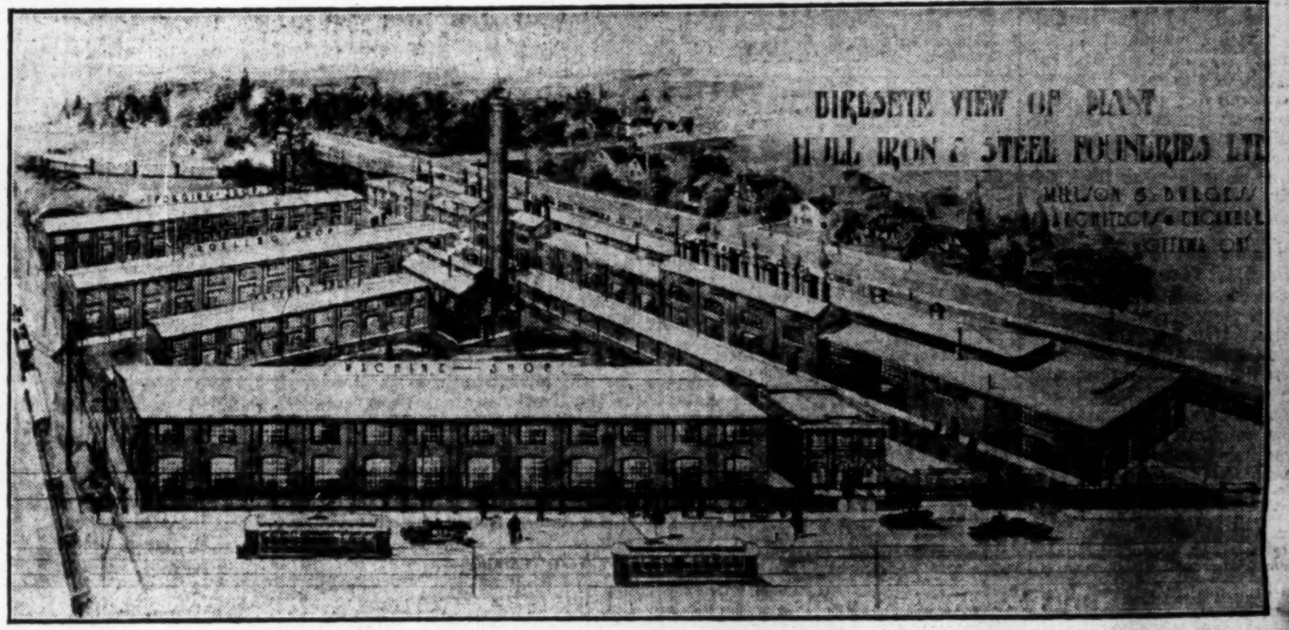
More Power—More Speed
4 Wheel Brakes

Built by DURANT MOTORS OF CANADA, LIMITED

No. 6 of a series of advertisements featuring your industrial opportunity in Hull, P.Q.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Where "Hisco" Steel Balls and Ball Mill Linings Are Made

HULL IRON AND STEEL FOUNDRIES
LIMITED

A Successful HULL Industry making
quality products for Canada's mines

Reasons for Industrial Success in Hull

Hull is the converging point of a tremendous hydro-power development.

Labour is noted for its steadiness.

The city's location is central to Canada's most concentrated markets.

Fine transportation facilities are available — the Canadian Pacific Railway's direct trans-Canada route; the Canadian National Railways; water shipments to seaboard and to and from New York State; first class roads for motor and truck traffic.

Fire and police departments give adequate protection. Educational facilities are excellent—including a splendid technical school.

Hull has many fine factory sites for new industries with ample room for expansion. The Hull tax rate is low and a fixed assessment for ten years can be arranged.

THE Hull Iron and Steel Foundries, through the efficiency and steadiness of its workmen, the strategic location it enjoys in Hull, both in relation to raw materials and markets, its low power costs—is able to make quality products for Canada's mines at minimum cost.

"HISCO" forged chrome steel grinding balls are known throughout the mining industry for their dependability, uniform hardness and capacity to reduce grinding costs.

The Hull Iron & Steel Company's success in the manufacture of alloy steel castings, forged electric chrome steel grinding balls, chrome nickel and non-magnetic manganese steel products, is but another evidence of what Hull offers alert manufacturers who come here to capitalize Hull's industrial advantages.

For further information write
H. BOULAY, City Clerk, HULL, P.Q.

BRING YOUR INDUSTRY
TO HULL QUE.

Key City of a Great Hydro-Power and Industrial District

Canadian Car

Preferred Regarded as High Yield Investment—Common Stock is More of a Gamble

During the past year there has been an appreciation in the preferred shares of the Canadian Car and Foundry Company, due to the larger orders which the company has obtained from the railways and due to the fact that the executives have widened the field of the company's activities so that a more even scale of operations may be maintained at the various plants. The company has been successful in obtaining a market among motor car manufacturers for some products.

As the company still depends in the main, though, on orders for rolling stock from the railways, its earnings are still subject to wide fluctuations. Over recent years the railways have placed only small orders for new equipment. For the future the trend of earnings should be up, rather than down.

The preferred shares may be regarded as a high yield investment for a business man. The common stock is a gamble. One of the features of the gamble is the fact that the company has a claim for some $3,000,000 before the War Reparation Board in the United States for losses sustained when its U. S. plant was blown up in war time. For a long time there has been a steady flow of rumors indicating that the company would obtain full payment of its claims. It may do so, but the fact that the payment of the claims has been so long delayed, accompanied by the stories of payments which have not been fulfilled, gives no added attraction to the common shares. However, as a speculation for a business man for a year's hold, the common shares are not without attractions at their present level. Moreover, the company maintains itself in an excellent liquid position which should allow it to withstand very successfully business recessions.

Despite the speculative character of the company's business, the management has built the organization up into a strong working capital position which undoubtedly increased the attractiveness of the shares with the public. Since 1922 the company has materially reduced its mortgage indebtedness and the outlook for 1928 is quite satisfactory.

Capitalization—	Authorized	Outstanding
Common	$5,000,000	$4,975,000
Preferred	7,500,000	7,500,000

Par. $100.

Funded Debt—
Bonds—first mortgage 6 per cent., due Dec. 1, 1939, $3,315,602, 1st mortgage 6 per cent. bonds due 1936, of Canadian Steel Foundries Co., $1,219,489; 1st mortgage, 6 per cent., due 1940, of Montreal Steel Works, $471,000.

Dividend Record—
Preferred paid quarterly. Deferred for quarter July, 1914; 3½ per cent. paid July, 1918, 7 per cent. in 1919, leaving 22¾ per cent. in arrears to Sept., 1920. Arrears paid Dec., 1920, 5¼ per cent., paid in 1921. Arrears 3½ per cent., paid Oct., 1923; Jan., 1924; April, 1924; July, 1924, and October, 1924; 5¼ per cent. in full of arrears paid Jan., 1925, 1¾ per cent. paid quarterly since. Common 2 per cent. paid Dec., 1910; 4 per cent. Dec., 1911; 2 per cent. June and Dec., 1912; June and Dec., 1913; June, 1914; none since.

Officers and Directors—
Hon. Nathaniel Curry, chairman; W. W. Butler, pres.; W. F. Angus, vice-pres.; H. W. Beauclerk, V. M. Drury, Hon. C. P. Beaubien, Wm. McMaster, F. W. Clergue, Hon. E. C. Smith, Mark Workman, Hon. L. C. Webster, W. S. Atwood, vice-pres.; J. B. Brodie, vice-pres. and treas.; A. D. Neale, vice-pres.; A. C. Bourne, sec.; L. A. Peto, comptroller.

Officers and Directors—
W. W. Butler, pres.; Hon. C. P. Beaubien, H. W. Beauclerk, W. F. Angus, vice-pres.; W. S. Atwood, vice-pres.; A. D. Neale, vice-pres.; V. M. Drury, Hon. L. C. Webster, J. B. Brodie, treas.; A. C. Bourne, sec.; L. A. Peto, vice-pres. and compt.

Income and Surplus Account, Years Ending September 30

	1927 $	1926 $	11925 $
Net earn.	1,332,887	714,825	256,389
Inv. income	93,009	132,089	232,485
Total	1,425,896	846,914	488,874
Less:			
Int. charges	355,440	385,054	416,645
Depreciation	402,000	402,000	402,000
Tax prov.	50,000	......	......
	807,440	787,054	818,645
Net profits	618,456	59,860	*329,771
Less approp.—			
Pref. divs.	525,000	525,000	525,000
Pref. arrears	......	......	393,750
	525,000	525,000	918,750
Surp. for year	93,456	*465,140	*1,248,521
Add pr. surp.	2,190,209	2,655,349	3,903,870
Bal. Car. for.	2,283,665	2,190,209	2,655,349

* Debit.

Eleven Years' Earnings—

Year	Earnings	Dividends	Surplus
1917	$2,572,883	......	$2,840,063
1918	4,617,390	$ 262,500	5,830,172
1919	2,993,471	656,250	7,061,557
1920	1,515,712	656,250	6,243,603
1921	1,188,853	2,100,000	3,251,207
1922	209,266	......	2,664,574
1923	2,430,188	525,000	3,567,147
1924	1,928,312	787,500	3,903,869
1925	256,388	918,750	2,655,349
1926	714,825	525,000	2,190,209
1927	1,332,887	525,000	2,283,665

Market Record—

	1926		1927		*1928	
	H	L	H	L	H	L
Com.	49	33	55¼	35	49	46½
Pref.	90¼	73	94½	85½	94¼	90
Bonds	104⅜	100	106	102½	..	..

* To Jan. 19.

Canadian Steel Foundries

Capitalization—	Authorized	Outstanding
Common	$3,000,000	$3,000,000
Preferred	2,000,000	1,400,000
Funded Debt		
Bonds, 6%, due 1936	5,000,000	1,219,489

Montreal Steel

Capitalization—	Authorized	Outstanding
Common	$ 950,000	$700,000
Preferred	1,050,000	800,000

7 per cent. non-cumulative. Preferred as to capital. All the stock is owned by Canadian Steel Foundries, and operations are carried on under their name.

Funded Debt—
First mortgage 6 per cent. bonds, due 1940, $471,000.

Dom. Foundries

Steel Castings Foundry May Turn Financial Tide

Dominion Foundries and Steel is one of those companies which suffered in the deflation era in Canadian industry. In the last two or three years, however, the company has shown an ability to rehabilitate itself under the existing management. The steel castings foundry being operated by the company, it is believed, will pull the company out of its financial troubles.

The $2,000,000 plate mill which never has been operated is an asset which has been virtually written off. If it should happen that the government makes certain changes in the tariff on steel plates, before this mill has been sold, the company will be in a position to profit greatly. At the present time it is not feasible to operate the plate mill. It is the most modern of its type but never has operated.

Capitalization—	Authorized	Outstanding
Common	$5,000,000	$2,998,100
Pref. 8% cum.	1,000,000	719,900

The company has outstanding $1,894,500 of 7% first mortgage bonds, of which $1,750,000 are deposited with the bank as collateral secured for direct advances. The remaining bonds are held by the company.

Dividend Record—
Last preferred dividend paid June, 1921. Common paid 18 per cent. in 1918, 15 per cent. 1919, 4 per cent. 1920. 1921 gave script dividend one share Adirondack Steel Com. for every 5 D. F. & S. None since.

Officers and Directors—
C. W. Sherman, Hamilton, pres.; W. J. Verity, vice-pres., Brantford; F. A. Sherman, A. G. Wright, sec.; S. A. Crone, New York; S. Burrows, Belleville; J. Ruddy, G. H. Gordon, G. H. Levy.

Income and Surplus Account, Years Ending December 31

	1926 $	1925 $	1924 $
Earnings	151,512	54,830	113,723
Less—			
Interest	40,728	44,287	47,217
Depreciation	107,647	7,625	63,000
Bond discount	2,000	2,000	2,000
Taxes	....	374	....
	150,375	54,286	112,217
Balance	1,137	553	1,506
Add prev. surplus	491,989	491,436	489,930
Bal. car. forward	493,126	491,989	491,436

Eight Years' Earnings—

Year	Earnings	Dividends	Surplus
1919	$654,000	$57,600	$596,400
1920	204,369	177,042	701,488
1921	*76,775	29,172	570,140
1922	*2,154	......	484,750
1923	203,798	......	489,929
1924	113,722	......	491,436
1925	54,830	......	491,989
1926	151,512	......	493,126

*Loss in operations.

National Brick

Year's Earnings Are Likely to Show an Increase

The National Brick Company of La Prairie makes it a policy to give out information regarding its operations only with the publication of the annual report for the fiscal year, which ends February 29 next, but the concensus of opinion among those who have been following the operations of the company is that the past year's earnings have shown an increase as compared with the previous year.

According to the season, the number employees varies from 385 to 500. The company at La Prairie and at Delson, P.Q., owns a number of cottages in which its employees are housed. The shares in view of the earnings record are not attractive.

Capitalization—	Authorized	Outstanding
Common	$2,000,000	$2,000,000
Preferred	3,500,000	3,339,600

7 per cent. cumulative.

Funded Debt—
Six per cent. bonds, due 1951, not outstanding, but are held in treasury to be used as collateral against bank loans, $750,000.

Dividend Record—
Initial quarterly dividend of one per cent. on preferred, paid Aug., 1924; Nov., 1924, 1 per cent.; Feb., 1925, 1 per cent.; May 15, 1¾ per cent., and quarterly thereafter to Feb., 1927, inclusive; reduced to 6 per cent. per annum by payment of 1½ per cent. May, 1927. On common, initial quarterly dividend of 1¼ per cent., paid March 1913, and quarterly thereafter to June, 1914, inclusive; none since.

Officers and Directors—
C. C. Ballantyne, pres.; Paul Galibert, vice-pres.; A. T. Alexander, sec.-treas.; F. H. Wilson, W. E. Muir, A. A. Ayer, A. Joyce, H. R. Trenholme.

Income and Surplus Account,

	1927 $	1926 $	1925 $
Net earnings	265,122	259,508	254,324
Less: res. for taxes	9,266	21,788	21,106
Res. for renew.	50,000	50,000	50,000
Res. bad debts	......	......	1,312
Net profits	205,856	187,720	181,906
Less approp. for pref. div.	233,772	233,772	100,188
Surplus for yea.	*27,926	*46,058	81,718
Add prev. surp.	267,629	313,682	231,964
Bal. car. for.	239,702	267,629	313,681

*Loss.

Five Years' Earnings—

Year	Earnings	Dividends	Surplus
1921-2	*$ 87,637	$	*$792,849
1922-3	220,127	......	* 640,375
1923-4	225,785	......	231,964
1924-5	254,323	100,188	313,681
1925-6	259,508	233,772	267,629
1926-7	265,122	233,772	239,702

*Deficit.

—Photo courtesy John Inglis Co.

Sheave casting for lift bridges, Welland Ship Can al. The diameter is 13½ feet, and the weight fifteen tons. This is the first time castings of this type and weight had been made in Canada. They are a product of the plant of Dominion Foundries & Steel, Ltd. Machine work by John Inglis Co., Ltd., and J. Bertram & Sons Co., Ltd.

THE art of casting steel into large and intricate shapes has materially advanced. It is saving investors in Electrical, Water Power, Transportation and miscellaneous machinery millions by increased efficiency.

Cast steel is standard construction for added years of continuous service.

■ ■ ■

FOR STEEL CASTINGS
OF EVERY DESCRIPTION

■ ■ ■

Dominion Foundries & Steel
LIMITED
Hamilton - Canada

National Steel Car

Average Earnings Per Share on Common in Last Four Years Was $2.27

National Steel Car Corp. again is a company controlled by Canadian investment interests, a Montreal financial group having taken it over in December. The stock was placed in strong hands and it is predicted that the current year will be the best in the recent history of the company.

The railway equipment business of Canada is over-developed, factories having been built to take care of the abnormal demand for cars and equipment before the war, when two new transcontinental railways were in course of construction.

The company does not now manufacture a complete bus marketed as its own product, this venture having been abandoned as not suitable. This activity has been more than replaced, however, by the growth of lumbering, logging and mining machinery.

At the time of the change of control a few weeks ago, it was shown that the average earnings per share on the common stock in the last four years was $2.27, after bond interest and $100,000 for depreciation. It is anticipated, judging by the number of orders on hand and in prospect, that the profits will be considerably higher for 1928.

Capitalization—
Authorized and issued:
100,000 shares No par value.

Funded Debt—

	Authorized	Outstanding
6% 1st mtge. bonds, due 1930, all held by Bk. of Commerce	$3,000,000	$860,000

Officers and Directors—
Robert J. Magor, pres. and chairman; Sir John M. Gibson, K.C.; Donald Symington, vice-pres.; Hugh N. Baird, vice-pres.; Henry H. Pierce, R. Gowans, D. B. Dewar, C. W. Adam, asst. sec.-treas.; A. Van Hassel, asst. sec.-treas.

Income and Surplus Account, Years Ending June 30

	1927 $	1926 $	1925 $
Net earn.	288,765	151,103	*46,337
Bond int.	76,520	81,600	84,100
Res. for deprec.	215,250	55,003	67,098
Loss on trucks	......	45,479	......
Net profits	*3,005	*30,979	*197,535
Add pr. surp.	108,155	139,134	356,669
Bal. car. for.	105,150	108,155	139,134

*Loss.

Six Years' Earnings—

Year	Earnings	Dividends	Cap. and Surplus
1922	x$ 79,734	......	$2,513,950
1923	142,887	......	2,395,937
1924	608,814	......	2,396,250
1925	x46,336	......	2,198,716
1926	151,102	......	2,167,737
1927	288,765	......	2,164,732

x Loss.

Market Record—
(Unlisted).

	1926		1927		*1928	
	H	L	H	L	H	L
Stock	16	5	45	18¼	45	39

* To Jan. 19.

Sherwin-Williams

Management Pursue Conservative Course Weaving Strength Into Structure

The shares of the Sherwin-Williams Company of Canada are closely held. This, in part, accounts for the wide fluctuations in the market prices of the shares of the company. Recently the stock sold up to well over the 200 mark, but then declined. The shares are generally regarded as an excellent long hold investment as the company is the largest producer of paint in the Dominion and as it is the predominant factor in the paint trade in Canada. A satisfactory feature of the company's position is the fact that there are no bonds ranking ahead of the preferred and common shares. The bonds were redeemed in 1926.

It has long been conceded that Sherwin-Williams would split its shares; its present financial position would warrant that action now, but as has been said, the management is conservative and the split in the shares may still be remote. The stock, though, can be regarded as an interesting long hold purchase.

Capitalization—	Authorized	Outstanding
Pref. 7% cum.	$4,000,000	$3,435,000
Com. par $100	4,000,000	4,000,000

Dividend Record—
Preferred 7 per cent., payable regularly 1st January, April, July and October. Common 6 per cent., payable same dates as preferred. First common dividend paid January 1, 1921.

Officers and Directors—
W. H. Cottingham, chairman; W. S. Fallis, pres. and mgr. dir.; Geo. A. Martin, W. J. White, K.C.; F. A. Scott; W. S. Cottingham, W. C. Cottingham, asst. to pres.; D. A. Whittaker, vice.-pres. and sec.-treas.; P. W. Hollingworth, asst. sec.-treas.

Income and Surplus Account, Years Ending August 31

	1927 $	1926 $	1925 $
Gross earnings	831,904	982,923	907,239
Less: Deprec. and renewals	141,069	201,737	133,850
Bond int.	27,919	108,867	119,997
Tax and pens.	68,876	50,439	61,391
Addit. deprec.	......	......	200,000
Net profits	594,000	621,890	392,001
Less appropriations—			
Pref divs.	240,450	240,450	240,275
Com. divs.	240,000	240,000	240,000
Pre. on bonds	......	153,970	......
Surp. for year	113,590	*12,530	*88,274
Add pr. surp.	3,907,231	3,919,762	4,008,036
Bal. car. for.	4,020,821	3,907,232	3,919,762

* Deficit.

Ten Years' Earnings—

Year	Earnings	Dividends	Surplus
1918	$1,612,951	$232,505	$2,333,282
1919	990,070	239,750	2,684,051
1920	1,281,338	239,750	3,417,961
1921	255,021	419,750	3,420,150
1922	952,634	479,750	3,628,323
1923	1,073,607	479,750	3,919,001
1924	968,115	479,750	4,008,039
1925	907,239	480,275	3,919,763
1926	982,933	480,450	3,907,231
1927	831,904	480,450	4,020,821

Market Record—

	H	L	H	L	H	L
Com.	148½	125	204	142	180	179½
Pref.	120½	110½	127	117	129	125

* To Jan. 19.

English Electric

Reasonable to Suppose That Shareholders Will Soon Reap Profits

The annual report of English Electric Co., which will be available early in May, is expected to show that 1927 was a better year than 1926. The volume of business has been fairly good, but it is not stated as to whether or not the prices obtained were satisfactory. This company has had its difficulties since it began operation a few years ago, but in view of the constantly increasing demand for all types of electrical equipment in Canada, it is reasonable to suppose that the company sonable to suppose that shareholders will shortly reap considerable profit from their holdings.

Capitalization—	Authorized	Outstanding
Common	30,000 shs.	30,000 shs.
No par value.		
Preferred	$2,000,000	$2,000,000
Par $100.		

Dividend Record—
Preferred, 8 per cent. per annum, payable, March, June, Sept. and Dec. First paid March 31, 1922. Passed for quarter ended Dec. 31, 1922; 2½ per cent. paid Aug., 1925, on arrears; 3½ per cent. paid June, 1926, leaving 28 per cent. in arrears as at Dec., 1926.

Officers and Directors—
R. A. Stinson, pres. and gen. mgr.; Gordon F. Perry, chairman of the board; Hon. F. H. Phippen, R. Home Smith; D. H. McDougall, T. H. Watson, Col. N. D. Perry, D.S.O.; Lord Meston, K.C.S.I.; Lt.-Col. J. H. Mansell, K.B.E., D.L.; P. J. Pybus, C.B.E.; P. A. Thomson.

Profit and Loss

	1926 $	1925 $	1924 $
Profits	203,156	64,004	95,092
Depreciation	40,000	40,000	40,000
Income tax	2,693	......	......
Pref. dividend	70,000	50,000	.....
Surp. for year	90,463	x25,996	55,092
Prev. surp.	293,848	319,844	264,752
P. & L. surp.	384,311	293,848	319,844

xDeficit.

Five Years' Earnings—

Year	Earnings	Dividends	Surplus
1922	*$ 2,452	$124,404	$229,092
1923	75,660	......	264,752
1924	95,092	......	319,844
1925	64,004	50,000	293,848
1926	203,156	70,000	384,311

*After depreciation.

Market Record—

	1926		1927		*1928	
	H	L	H	L	H	L
Common	24	15	18	11	12	11
Preferred	75	59½	95	72½	81	75

xTo Jan. 19.

Russell Motor

Position is Promising Even Without Considering Canadian Overland Co.

Russell Motor Car Co. is a holding company for the Canadian Acme Screw & Gear Co. and the Canada Cycle & Motor Co. It also owns one-third of the $3,000,000 of capital stock of Willys-Overland (Canada). The other $2,000,000 is owned by Willys-Overland Co., of Toledo, Ohio.

The 7 per cent. preferred stock and the common stock of Russell Motor both are selling on a 7 per cent. basis with comparatively few trades on the Toronto exchange where both classes are listed. Both stocks are attractive investments in their class.

The earnings of Canada Cycle & Motor Co. are said to be sufficient normally to pay the preferred dividend of Russell Motor Car Co. The earnings of Canada Cycle & Motor are gradually increasing and it is fair to assume that activities of this subsidiary will remain a stabilizing influence on the parent company.

Canadian Acme Screw & Gear Co. is an increasingly profitable enterprise for Russell Motor Car Co.

Thus the position of Russell Motor Car Co. is promising, even without considering its investment in the Canadian Overland Co. This investment, incidentally, is reported to have been written down by Russell Motor Car Co. from $1,500,000 to $200,000. If the new Whippet cars manufactured by Canadian Willys-Overland achieve the degree of popularity which is hoped, the Russell Motor Car Co. stands to profit materially from this subsidiary.

Capitalization—	Authorized	Outstanding
Common	$ 800,000	$ 800,000
Pref. 7% cum.	1,200,000	1,200,000

Income and Surplus Account, Years Ending

	To Dec.31, *1926 $	July 31, 1926 $	July 31, 1925 $
Net profits	56,449	118,701	115,505
Less approp. for pref. div.	35,000	84,000	84,000
Common div.	10,000	24,000	....
Surplus for year.	11,449	10,701	31,505
Add prev. surplus	530,739	520,038	488,533
Bal. car. forward.	542,188	530,739	520,038

*For 5 months.

Nine Years' Earnings—

Year	Earnings	Dividends	Surplus
1918	$628,581	$140,000	$ 536,162
1919	457,878	140,000	854,000
1920	339,453	140,000	1,053,494
1921	158,124	140,000	1,071,618
1922	117,499	116,000	473,118
1923	90,551	84,000	479,669
1924	92,864	84,000	488,533
1925	115,504	84,000	520,037
1925	118,701	108,000	530,738
*1926	56,449	45,000	542,188

*For 5 months to Dec. 31.

Dividend Record—
Preferred paid quarterly, Feb., May, Aug. and Nov. 1. 29¾ per cent. Nov., 1917, in full of all arrears. Common, 7 per cent. paid from Aug., 1911, to Feb., 1913, inclusive; 7 per cent. paid Nov. 1, 1917; 7 per cent. Aug., 1918 and 1919. Reduced to 1 per cent. Jan., 1922. None paid until Aug., 1922, 1¼ per cent. Next paid 3 per cent. Aug. 2, 1926, for year ended July 31, 1926; 1¼ per cent. for 5 months ended Dec. 31, 1926; paid Feb. 1, 1927, 4 per cent. for year declared payable Feb. 1, 1928.

Officers and Directors—
T. A. Russell, pres.; A. E. Ames, vice-pres.; E. B. Ryckman, J. N. Shenstone, H. D. Scully, J. W. Gibson, J. W. Widdup, G. W. Suggitt, sec.

Market Record—

	1926		1927		*1928	
	H	L	H	L	H	L
Com.	50	39	60	52	60	57½
Pref.	95	76	99	90⅛	99	98

*To Jan. 19.

McKinnon Industries

Investment Should Do Well Over Term of Years and Outlook Appears Fairly Satisfactory

McKinnon Industries, Ltd., is a business which was founded more than half a century ago with $2,000 capital. The company now employs about 700 persons in its factory at St. Catharines and the two factories of its subsidiary at Buffalo. The Buffalo subsidiary has not been a satisfactory investment in the last few years, owing to changes in automobile design which eliminated the dash. But some efforts are being made at the present time to change the output of these factories in the hope that losses can be eliminated. In the past year, the company earned about $3 per share on the common stock in the Canadian factory and lost the equivalent of $1 per share in operation of the Buffalo factory.

The revival of the motor car industry in general following the introduction or the showing of the new Ford models in December stimulated the McKinnon Industries at St. Catharines. McKinnon Industries manufacture an important part of the chassis of a General Motors car and an increase in production in the last few weeks has resulted in greater activity at St. Catharines.

Although certain variations in activity are to be expected in the automotive industry, the outlook for companies supplying parts for automobiles is fairly satisfactory and the investment should do well over a term of years.

Capitalization—	Authorized	Outstanding
Common (No par value).	50,000 shs.	50,000 shs.
Preferred 7% Par $100.	$1,000,000	$1,000,000
Funded Debt—		
First mortgage and col. trust, 6½% bonds, due 1945	1,000,000	973,000

Dividend Record—
Preferred payable quarterly, Jan., April, July and Oct. 1.
No dividend paid on common.

Officers and Directors—
B. W. Burtsell, pres. and gen. mgr.; J. C. Notman, vice-pres.; F. L. Pattison, sec.; R. A. Daly, E. G. Long, C. H. Easson; H. J. Carmichael.

Income and Surplus Account, Years Ending September 30

	1927 $	1926 $	1925 $
Earnings	432,430	402,820	420,253
Less—			
Bond interest	63,245	65,000	......
Income tax	22,000	22,135	27,000
Depreciation	171,865	166,703	153,790
	257,110	253,838	180,790
Net profits	175,320	148,982	239,463
Less approp.— Pref. divs.	69,209	70,000	......
Surp. for year	106,111	78,982	239,463
Prev. surp.	78,982	......	......
Bal. car. for.	185,093	78,982	239,463

Five Years' Earnings—

Year	Earnings	Dividends	Surplus
1923	$387,818	......	$214,467
1924	381,246	......	207,304
1925	420,253	......	239,463
1926	402,820	$70,000	78,982
1927	432,430	69,209	185,093

Market Record—

	1926		1927		*1928	
	H	L	H	L	H	L
Com.	31½	15	25¼	18	29½	27¾
Vot. tr.	30½	18⅞	26¾	15	29½	26
Pref.	97½	87	98	93¼	99	97⅛

* To Jan. 19.

ENLARGING A FAMOUS HOSTELRY

The CHATEAU LAURIER
OTTAWA

THE Foundation Company of Canada, Limited, has been entrusted with the general contract to construct the 250-room extension to the Chateau Laurier Hotel, Ottawa.

Over 35,000 cubic yards of solid rock were excavated without damaging the original structure or surrounding buildings. Structural steel, concrete and stone work are now making steady progress. When completed in 1928, the turrets, battlements and general appearance of the extension will blend exactly with those of the older portion and enhance the picturesque beauty of the Chateau.

That this important undertaking for one of Canada's most famous hostelries has been awarded to The Foundation Company of Canada, Limited, reveals once again the enviable position which this organization holds in the field of general construction.

THE FOUNDATION COMPANY
OF CANADA
LIMITED
MONTREAL

Buildings
Industrial Plants
Railroad Terminals
Foundations and Underpinnings

Hydro-electric Developments
Power and Harbour Developments
Bridges and Bridge Piers
Shafts and Tunnels

Associated with The Foundation and Construction Company of Ontario, Limited.

Algoma Steel

Material Improvement in Outlook During Past Year Has Been Shown by the Company

While it would not be safe to say that the troubles of the Algoma Steel Corporation are in the background, or even that the corporation now is reasonably sure of overcoming its difficulties, it is a fact that has been a material improvement in the outlook in the past year and if this company is successful in obtaining from the government certain concessions relating to the tariff and if as a result of this adjustment a refinancing and reorganization plan is successfully carried out, the industry at Sault Ste. Marie at last will be on a basis where it can expect to operate at a profit above all fixed charges and depreciation.

The improvement in the position of the corporation is traceable to the progress that already has been made in diversifying the products of the plant. A few years ago the Steel Corporation at Sault Ste. Marie was a company engaged almost exclusively in the manufacture of steel rails. In the post-war years when railroad building was one of the primary industries of the country, this company was profitable. But the demand for rails since the war has been light and the rail mill has been operating a comparatively few number of days per year. Profits in these circumstances obviously were impossible.

Other Revenue Sources

In the last two or three years, however, the management has been able gradually to diversify the products to such an extent that the rail mill no longer is the primary source of revenue. In 1927 the corporation put $560,000 into a 39 foot rail mill and coke screen plant, as previously reported in The Financial Post. Expenditure of another $50,000 was commenced recently. It is expected that more than 200,000 tons of coke will be marketed each year in addition to the coke used in the company's furnaces. At an average price of $10 a ton, this coke would give the corporation revenue of $2,000,000 annually. The profit per ton for the producer has not been divulged, but it is said that the company is well satisfied with the results of its venture into the domestic heating field. Lake Superior Corp., holding company for Algoma Steel, owns two West Virginia bituminous mines. The fuel is brought to Sault Ste. Marie in the navigation season at low cost.

If the needs of the corporation are met by the tariff board, the corporation has announced that it will undertake immediately to extend its facilities to permit mills to roll steel up to and including 15 inch eye beams and channels. This is one of the first and most important steps in the rounding out of the manufacturing of the steel commodities that are required by the Dominion and which involves an expenditure of from $10,000,000 to $12,000,000.

Reorganization Plans

Present security holders in this company have reorganization plans under consideration, but this does not mean that there will be further public financing soon. Until these plans are definitely settled, no public announcement will be made.

Capitalization—

	Authorized	Outstanding
Common	$15,000,000	$15,000,000
Preferred	15,000,000	10,000,000

7 per cent. cumulative. All the share capital is held by the Lake Superior Corporation.

Funded Debt—

Purchase money bonds, 5 per cent., due 1944, limited to $5,800,000, outstanding $5,800,000. First and refunding mortgage 5 per cent. bonds due 1962, outstanding $15,366,373.

Dividend Record—

Dividends on preferred regularly paid up to June, 1913, none thereafter until 1918, when 7 per cent. for the year ended June 30, 1914, was paid; 1919, 7 per cent. for year ended June, 1915, and 3½ per cent. for year ending June, 1916; 1920, 11¾ per cent. for year ended June, 1916; none since. 11¼ years' preferred dividends were in arrears as of June 30, 1927.

Officers and Directors—

W. C. Franz, pres.; J. D. Jones, vice-pres.; J. W. Gemmell, vice-pres.; S. Mason, vice-pres.; E. W. Shell, treas.; E. Carey, compt.; Alex. Taylor, sec.; R. Home Smith, H. Coleman, W. H. Cunningham, T. D. Woods, R. W. Childs, H. I. Underhill.

Income and Surplus Account, Years Ending June 30

	1927	1926	1925
	$	$	$
Net earnings .	706,886	415,765	*323
And other inc.	112,500	14,879	8,917
Total	819,386	430,644	8,594
Less: Int. chgs.	1,070,635	1,069,403	1,078,143
Net loss	251,249	638,759	1,069,549
Less appropriations			
Add prev. debt.	2,491,462	1,852,703	779,287
Tax adjustment.	......	......	3,867
Debit bal. carried forward	2,742,711	2,491,462	1,852,703

*Loss.

Nine Years' Earnings—

Year	Earnings	Dividends	Surplus
1919	$5,035,032	$1,050,000	$1,433,876
1920	3,147,694	175,000	2,793,444
1921	1,065,906	......	660,083
1922	330,088	......	*171,813
1923	355,093	......	*755,333
1924	1,042,109	......	*799,287
1925	*323	......	*1,852,703
1926	415,764	......	*2,491,463
1927	706,886	......	*2,742,711

*Deficit.

Lake Superior Corporation

Capitalization—

	Authorized	Outstanding
Common	$40,000,000	$40,000,000

Funded Debt—

Bonds 5 per cent.	10,000,000	5,278,000

First mortgage due June, 1944. Collateral Trust.

Income bonds.

1 to 5 per cent.	3,000,000	2,256,850

Due Oct., 1929, non-cumulative, 5 per cent. paid 1913-17-18-19-20. None since Oct., 1920.

Contingent Liabilities in Respect of the Guarantees of Bonds of the following companies:

Algoma Cent. & H. B. Ry.
Algoma Central Terminals.
Algoma Eastern Railway.
Algoma Steel Corp., Ltd.

Officers and Directors—

W. H. Cunningham, pres.; S. Mason, H. C. Coleman, T. D. Wood, W. C. Franz, vice-pres.; Alex. Taylor, sec.; R. Home Smith, R. W. Childs, J. D. Jones, G. H. Stephenson, N. J. Greene, G. F. Craig.

Income and Surplus Account, Years Ending June 30

	1927	1926	1925
	$	$	$
Gross income	306,931	318,627	365,128
Less oper. exp....	55,752	62,360	85,060
Net earnings	251,179	256,267	280,068
Less: Bond int...	263,900	263,900	263,900
Bad debts	192,500	....	....
Net income	*205,221	*7,633	16,168
Add prev. surplus	959,973	967,606	951,438
Trans. to surplus	198,417	....	....
Bal. car. forward.	953,169	959,973	967,606

*Deficit.

Six Years' Earnings—

Year	Earnings	Dividends	Surplus
1922	$393,891	......	$948,081
1923	340,306	......	955,159
1924	327,711	......	951,438
1925	365,128	......	967,606
1926	318,627	......	959,973
1927	306,931	......	953,169

Market Record—

	1925 H.	1925 L.	1926 H.	1926 L.	*1927 H.	*1927 L.
Com.	7⅛	3	4⅜	2½	2⅜	1¼
Inc. bds.	23	13½	10	10	6	5

*To July 1.

Can. Locomotive

Expected Report Will Show Improvement Over Previous 18 Months

Canadian Locomotive Co., is one of those companies which are largely dependent on the two principal railways of the country for business. When the railways are not buying equipment, the earnings of Canadian Locomotive Co. drop. In years of fairly substantial purchases, the company earns more than its dividend requirements and is able to add to its surplus.

In 1917, the volume of orders was not wholly satisfactory, but it is expected that the report, when available, will show some improvement over the report for the previous eighteen months.

Capitalization—

	Authorized	Outstanding
Common	$2,000,000	$2,000,000
Preferred 7% cum. ..	1,500,000	1,500,000

Par $100.

Funded Debt—

Bonds, 6%	2,000,000	1,309,800

First mortgage, sinking fund. Due 1951, trustees hold $190,200.

Dividend Record—

Preference paid quarterly, Jan., Apr., July and Oct. 1. Common first paid at rate of 6 per cent. per annum Oct., 1917, increased to 7 per cent. 1919, and 8 per cent. Jan., 1920; reduced to 4 per cent. July 1, 1922. Passed for quarter beginning Jan., 1925, and since.

Income and Surplus Account, Years Ending June 30

	**1926	1925	1924
	$	$	$
Net earn.	x46,694	166,549	538,441
Inv. inc., etc.	94,226	68,329	61,231
Total	47,532	234,878	599,672
Less:			
Res. for depr.	100,000	100,000	......
Bond int.	135,000	90,000	90,000
	235,000	190,000	126,901
Net profits	*187,468	44,878	472,771
Less approp.—			
Pref. divs.	157,500	105,000	105,000
Com. divs.	....	40,000	80,000
B. S. F. res.	22,500	15,000	15,000
Surp. for year	*367,468	*115,122	272,771
Add pr. surp.	998,226	1,080,148	807,377
Adjust. items	......	33,200	......
Bal. car. for.	630,758	998,226	1,080,148

* Deficit. ** For 18 months.

Nine Years' Earnings—

Year	Earnings	Dividends	Surplus
1918	$677,936	$225,000	$ 929,415
1919	892,976	225,000	1,366,794
1920	367,969	250,000	1,210,984
1921	827,091	265,000	1,536,275
1922	*76,299	265,000	1,089,975
1923	7,401	185,000	807,377
1924	599,672	185,000	1,080,148
1925	234,878	145,000	998,225
1926	45,774	157,000	630,758

* Loss.

Market Record—

	1926 H	1926 L	1927 H	1927 L	*1928 H	*1928 L
Com.	42	35	48	25	..	..
Pref.	89½	73	89	70	76	75
Bonds	99½	99½	100	99	..	..

* To Jan. 19.

Officers and Directors—

W. Harty, Jr., pres.; Wm. Casey, vice-pres. and gen. mgr.; F. G. Wallace, J. F. M. Stewart, R. W. Leonard, C. Birmingham, H. F. Osler, W. L. Matthews, W. F. Angus, G. W. Daly, sec.; J. Fournier, treas.

National Cement

Company Awaits Increase in Price of Commodity

The prevailing low price of cement in the province of Quebec prevents the National Cement Company making the earnings which were anticipated at the time of its formation. However, the company is meeting its bond interest and if the financial strength of those associated with the undertaking be any criterion, it looks as if it would continue to meet the bond interest.

There seems to be no chance an improvement in the company's position until there is an increase in the price of cement, but this appears to be as far away as ever.

Capitalization—

	Authorized	Outstan
Common	50,000 shs.	50,000 sh

No par value.

Pref. 7% cum.....	$2,500,000	$1,979,3

Par $100.

Preferred was increased from $1,500,0
in 1926.

Funded Debt—

First serial gold bonds, 7 per cent. d
$50,000 annually, May 1, 1928, to 19
inclusive; $100,000 annually May 1, 19
to 1937, inclusive, and $550,000 May 1,
1938; outstanding, $1,450,000.

Officers and Directors—

Hon. Donat Raymond, pres.; Hon. J. N.
Wilson, vice-pres.; J. R. Lefebvre, se
and treas.; Hon. G. A. Simard, L. H. Ti
mins, R. K. Meade.

Cockshutt Plow

Advance in Preferred Market Value Indicates Early Announcement of Revision of Capital Structure

Recent rapid advances in the market value of the preferred shares of Cockshutt Plow Co., indicate early announcement of a revision of the capital structure which will eliminate 26 per cent. arrears in dividends and place the company in a position to move forward without the incubus of excessive preferred dividend requirements.

The nature of the proposed plant which is believed to have received the assent of the principal directors and shareholders has not been divulged so far. From official comments that have been forthcoming, however, it is assumed that if the company continues with a preferred stock it will be of a much smaller par value or total than the present preferred.

Capitalization—

	Authorized	Outstanding
Common	$7,500,000	$5,000,000
Preferred 7 %	7,500,000	6,465,000

Funded Debt—

None.

Dividend Record—

Preferred paid to June 30, 1914, since which date 31½ per cent. has been paid, leaving 55 per cent. in arrears as at Dec. 30, 1927. No dividend paid since March, 1924, until 4 per cent. paid Feb. 8, 1927. No dividends on common.

Officers and Directors—

Col. H. Cockshutt, pres.; F. Perry, 1st vice-pres.; A. K. Bunnell, 2nd vice-pres.; E. Fitzgerald, G. A. Baker, E. A. Mott, gen. mgr. and treas.; G. K. Wedlake, works mgr.; E. Sweet, sec.; F. A. Ames, asst. sec.

Income and Surplus Account, Years Ending December 31

	1926	1925	1924
	$	$	$
Net earn. *	‡305,450	313,506	64,347
	305,450	313,506	64,347
Less:			
Accts. writ. off	......	297,717	61,671
Net profits	305,450	15,789	2,676
Less approp.—			
Pref. divs.	258,600	......	64,650
	258,600	......	64,650
Surp. for year	46,850	15,789	†61,974
Add pr. surp.	70,092	54,303	116,277
Bal. car. for.	116,942	70,092	54,303

* After depreciation † Debit.
‡ After depreciation and bad debts.

Nine Years' Earnings—

Year	Earnings	Dividends	Surplus
1918	$553,215	$258,600	$ 86,401
1919	571,587	258,600	399,388
1920	660,921	484,875	574,434
1921	624,292	258,600	251,761
1922	5,657	258,600	3,193
1923	98,636	387,900	116,277
1924	64,346	64,650	54,302
1925	313,506	......	70,092
1926	305,450	258,600	116,942

Market Record—

	1926 H	1926 L	1927 H	1927 L	*1928 H	*1928 L
Pref.	83¾	57¼	115⅛	67	137½	105¾

* To Jan. 20.

Gotfredson Corp.

Not Likely Report Will Show Material Increase in Earnings

Gotfredson Corp. in 1927 enjoyed an active year, but it is not likely that the report will show any material increase in earnings, and the dividend on the stock was stopped in the middle of the year. Long credits and the condition of the used-truck market are the unfavorable factors with regard to this investment.

Gotfredson Corp. of Canada is now the controlling company for the Detroit enterprise of the same name, bonds having been issued last August for this purpose. The bonds, it is interesting to note, are convertible into common stock at the option of the holder.

The company manufactures a wide variety of trucks, from three-quarter ton to seven tons, and also manufactures buses, fire apparatus and taxicabs. The business was started in 1912, and has been in the Canadian field since 1920. The control and management is in the same hands that have been instrumental in building the business, and there are also on the board of directors men of capacity and experience in finance.

Capitalization—

	Authorized	Outstanding
Stock	100,000 shs.	100,000 shs.

Stock first publicly offered (20,000 shares) in June, 1925, at $25 per share.

Funded Debt—

None.

Dividend Record—

Dividends at the rate of 37½ cents per share, paid Oct. 15, 1925, and quarterly to April, 1927.

Officers and Directors—

B. J. Gotfredson, pres.; M. H. Coleman, vice-pres.; C. S. Porter, sec. and man. dir.; J. H. Barth, treas.; E. B. Thompson, W. A. Eckert, R. A. Daly, L. W. Pearson.

Income and Surplus Account Years Ending December 31

	1926	1925
	$	$
Profit	562,188	576,179
Other income	60,900	63,922
Total	623,088	640,101
Less oper. expenses	311,175	286,152
Net earnings	311,913	353,949
Less—		
Interest	53,130	32,952
Bad debts, etc.	8,133	12,287
Depreciation	35,427	34,921
Taxes	19,190	28,559
	115,880	108,669
Net profits	196,033	245,280

Market Record—

	1927 H	1927 L	*1928 H	*1928 L
Common	15	15	15	10

*To Jan. 19.

DOMINION COAL CO., LIMITED

Miners and Shippers of High Grade Gas and Bituminous Coal
An All Canadian Fuel Mined by Canadians and Transported Over Canadian Railways

NOVA SCOTIA STEEL & COAL
Company, Limited

Standard Forged and Heat Treated Axles, Crank Shafts, Connecting Rods; Miscellaneous Heavy Forgings; Rolled Steel Shapes, Rail Fastenings, Railway Spikes, Tie Rods, Rivets, Bolts, Nuts.

EASTERN CAR COMPANY
Limited

Makers of Freight Cars and Accessories

JAMES PENDER & CO. LIMITED

Nails, Barbed Wire, Wire Products

HALIFAX SHIPYARDS LIMITED

Drydocking—Shipbuilding—Marine Repairs

Fully equipped yards and shops capable of carrying on all classes of Hull, Deck, Engine and Boiler Repairs. Drydock 567 feet long, 102 feet wide, Depth of water over blocks 27 feet. 4 Marine Railway and Six Cradles capacity up to 2400 tons actual weight.

BRITISH EMPIRE STEEL
CORPORATION LIMITED
CANADA CEMENT BUILDING
MONTREAL, CANADA

Dominion Bridge

High Point of Earnings Not Yet in Sight—Increase in Profits of This Important Company is Indicated

What with the split in the shares of Dominion Bridge Company last year and the market appreciation of the stock prior to that time, the market's opinion of the value of the shares is about 250 per cent. greater than it was a year ago. The extent of the appreciation during the past twelve months naturally does increase the attractiveness of the stock at present levels. Nevertheless, as far as can be gathered, the high point of the company's earnings is not yet in sight and everything indicates that earnings during the current year should be maintained and probably increased.

The earnings of the Dominion Bridge Company depend entirely on the number of new steel bridges and large buildings which are erected. While activity in the construction end of the pulp and paper industry will decline, yet there are large construction activities in view in the hydro-electric and industrial fields which should more than compensate the company for the halt in the expansion of the pulp and paper industry.

As far as the future is concerned, there is one feature which adds a lustre to the shares of the company; this is the big contract for the Montreal South Shore Bridge, which will amount in all to about $7,200,000. It is understood that "Bridge" will not obtain all the profits on construction work until this contract is completed two years hence. In the meantime, the project provides steady work for the plant which keeps overhead at a minimum.

While large orders such as this undoubtedly have a definite effect on the earnings, yet the company, broadly speaking, is more dependent upon the general level of the demand for structural steel than upon one or two large orders. If the next year or two witnesses the maintenance of the present demand for fabricated steel, there is no doubt that the position of the company will steadily improve. Even in dull years, the Dominion Bridge Company has always produced a balance sheet which shows an excellent liquid position. The entire capitalization consists of the no par value common shares; there are no bonds or other securities ranking senior to the stock. There is another feature which lends some attractiveness to the shares.

Capitalization—

	Authorized	Outstanding

Common—325,000 shares no par value. On Oct. 18, 1927, the stock was split into shares of no par value on the basis of five for each $100 share.

Funded Debt—

None.

Dividend Record—

On the old stock an initial dividend of 4 per cent. paid Dec., 1912; 2 per cent. April, 1913; 2 per cent. May, 1913, and same rate paid quarterly to Aug., 1914; Nov., 1914, to Aug., 1915; 1¼ per cent. quarterly, Nov., 1915, and quarterly thereafter to and including Nov., 1916, 2 per cent. regular and 3 per cent. extra each. Feb., 1917, 2 per cent. and 2 per cent. extra, May, Aug. and Nov., 1917, 2½ per cent. each; Feb., 1918, 2 per cent., which quarterly rate was paid to Nov., 1921; 4 per cent. per annum 1922 and thereafter. A bonus of 2 per cent. was paid Jan. 3, 1927.

On the new stock a dividend of 65c. per share is payable Feb. 15, 1928.

Officers and Directors—

G. H. Duggan, pres. and mgr. dir.; W. F. Angus, vice-pres.; A. J. Brown, K.C.; Sir H. S. Holt, N. J. Dawes, J. M. McIntyre, F. W. Molson, C. E. Neill, H. H. Vaughn, F. L. Wanklyn, vice-pres.; Howard Murray, J. C. Smith, N. W. Warren, gen. mgr.; F. W. Molson, C. E. Neill, H. H. Vaughan.

Income and Surplus Account, Years Ending October 31

	1927 $	1926 $	1925 $
Net earn.	1,106,155	572,750	82,076
Less:			
Deprec., etc.	180,000	133,680	135,212
Net profits	926,155	439,070	*53,136
Less approp.—			
Com. divs.	†650,000	260,000	260,000
Surp. for year	276,155	179,070	*313,136
Add pr. sur.	**3,969,858	2,920,788	3,233,924
Bal. car. for.	3,246,013	3,099,858	2,920,788

† Including bonus at $6.

** Less bonus, 2 per cent. paid Jan., 1927.

Eleven Years' Earnings—

Year	Net profits	Dividends	Surplus
1917	$1,186,436	$747,500	$1,679,590
1918	1,865,717	520,000	3,025,307
1919	1,343,305	420,000	3,848,613
1920	964,530	520,000	4,293,144
1921	378,693	520,000	3,671,838
1922	54,661	260,000	3,466,500
1923	290,684	260,000	3,230,103
1924	263,820	260,000	3,233,923
1925	*53,136	260,000	*2,920,788
1926	439,071	260,000	3,099,859
1927	926,155	650,000	3,296,013

* Deficit.

Market Record—

	1926 H	1926 L	1927 H	1927 L	*1928 H	*1928 L
Com.	122	80	76	57	74¾	70¼

* To Jan. 19.

National Bridge

Capitalization—

	Authorized	Outstanding
Stock	$50,000	$50,000

(Reduced from $1,000,000 in 1924).

Par $100. Entire issue owned by Dominion Bridge Co.

Dividend Record—

None.

Officers and Directors—

J. M. McIntyre, pres.; N. J. Dawes, vice-pres.; F. W. Evens, sec. and treas.; G. H. Duggan, A. J. Brown, W. F. Angus.

Dom. Engineering

The earnings of the Dominion Engineering Works, the chief subsidiary of the Dominion Bridge, are derived principally from the manufacture and sale of paper-making and hydraulic machinery, but some machine shop and heavy foundry work is also turned out. In both fields of activities, the company has achieved a high reputation. During the past year, it has been overloaded with orders both from pulp and paper mills and from power companies.

The outlook for the future hardly indicates that the expansion which has marked the pulp and paper industry in the past few years will be continued on such a large scale, but offsetting this, what with power projects on the St. Lawrence and the Ottawa, and many smaller hydro developments in view, if the company experiences a decline in the demand for paper-making machinery, there should be a corresponding increase in the demand for hydro-electric and hydraulic machinery.

Capitalization—

	Authorized
Stock	125,000 shs.

(No par value).

In July, 1927, the capitalization was changed from 25,000 shares of $100 par value to 125,000 shares of no par value.

(A majority of the stock is owned by the Dominion Bridge Co.)

Funded Debt—

None.

Dividend Record—

$3 paid July, 1926, and Jan., 1927. $2 each April, July, Oct., 1927, and Jan., 1928.

On the no par value shares 65c. per share payable Apr. 14, 1928.

Income and Surplus Account, Years Ending December 31

	1926 $	1925 $	*1924 $
Net earnings	758,646	343,502	115,344
Less—			
Depreciation	198,675	134,124	58,358
Inc. tax, etc.	15,001	......	......
	213,676	134,124	58,358
Net profits	544,970	209,378	56,986
Less approp.—			
Dividends	133,998	......	......
Addit. deprec.	48,068	17,267	......
Surp. for year.	362,904	192,111	56,986
Add. pr. surp.	249,097	56,986	......
Bal. car. for.	612,001	249,097	56,986

* For 7 months.

Six Years' Earnings—

Year	Earnings	Dividends	Surplus
1921	$126,130	......	*$186,386
1922	36,610	......	*186,386
1923	*35,401	......	*240,667
1924†	115,344	......	56,986
1925	343,502	......	249,097
1926	758,646	133,998	612,001

* Deficit. † For 7 months.

Market Record—

(Unlisted).

	1927 H	1927 L	*1928 H	*1928 L
Stock	251	135	65	52

* New stock to Jan. 19.

Officers and Directors—

G. H. Duggan, pres.; A. J. Brown, K. C., vice-pres.; J. C. Smith, vice-pres.; F. W. Evens, sec. and treas.; H. G. Welsford, gen. mgr.; W. F. Angus, Sir H. Holt, J. M. McIntyre, H. Murray, F. W. Molson, F. L. Wanklyn, G. Chahoon, Jr., H. B. Taylor.

C. G. Electric

Outlook for Coming Year Apparently is Promising

Investment interest in Canadian General Electric Co. is confined to the preferred stock, the common stock being controlled by General Electric Co., United States, and by a small number of individuals.

Earnings in 1927 are believed to have been somewhat in advance of 1926 and 1926 was 30 per cent. ahead of 1925. The outlook for the coming year apparently is as promising as can be expected. There is a constantly increasing demand for electrical equipment in this country and Canadian General Electric is in a position to meet that demand in almost any form it may take.

The preferred stock is not an active issue because it is held purely as an investment. The par value is $50.

Capitalization—

	Authorized	Outstanding
Common	$18,000,000	$9,442,250
Pref.	....	8,557,750

Par 50.

On Feb. 15, 1924, shares of common stock of $100 par value were converted into two shares of $50 par value.

Funded Debt—

None.

Dividend Record—

Dividends on preferred formerly outstanding were regularly paid. Initial dividend of ⅞ per cent. on new preferred paid March, 1924; regular payments since quarterly, Jan., April, July and Oct. 1. Common reduced from 8 to 6 per cent. for quarter ended June, 1922, and paid to quarter ended Dec., 1923; ¾ per cent. paid Feb., 1924, and ¾ per cent. April, 1924; none since. Bonus 2 per cent. paid April, 1920; stock bonus of 20 per cent. paid Aug., 1921.

Officers and Directors—

A. E. Dyment, chairman of board; D. C. Durland, pres.; S. Haas, vice-pres.; J. J. Ashworth, gen. mgr.; G. W. Beardmore, H. C. Cox, J. C. Smith, Hon. R. B. Bennett, Sir Herbert Holt, W. L. Matthews, W. G. and Hon. W. D. Ross, E. G. Patterson, A. M. Stewart, K.C., J. H. Black, J. A. Bremner, asst. gen. mgr.; W. H. Nesbitt, sec.; E. I. Jenking, treas.

Income and Surplus Account, Years Ending December 31

	1926 $	1925 $	1924 $
Net earinngs	1,870,618	1,617,093	1,593,631
Less—			
Depreciation	700,000	600,000	600,000
Interest, etc.	......	83,341	415,158
Pre. on debs.	......	375,000	......
Adjust. plant value	497,139	......	......
	1,197,139	1,058,341	1,015,158
Total	673,479	558,752	578,473
Less appropriations—			
Pref. div. .	599,042	553,542	364,912
Com. div. .	......	......	147,315
Gen. res. ..	......	......	3,951,910
	599,042	553,542	4,464,137
Surp. for year	74,437	5,210	*3,885,664
Add pr. surp.	2,749,315	2,744,105	6,629,769
Bal. car. for.	2,823,752	2,749,315	2,744,105

*Debit.

Ten Years' Earnings—

Year	Earnings	Dividends	Surplus
1917	$2,051,609	$ 780,000	$4,466,293
1918	2,013,996	780,000	5,122,776
1919	1,617,989	780,000	5,436,098
1920	2,218,731	1,014,114	5,778,672
1921	1,707,339	927,038	7,557,726
1922	532,791	841,879	6,820,411
1923	1,482,234	822,985	6,629,768
1924	1,593,631	512,226	2,744,105
1925	1,617,093	553,542	2,749,315
1926	1,870,618	599,042	2,823,752

Market Record—

	1926 H	1926 L	1927 H	1927 L	*1928 H	*1928 L
Com.	55½	47	69	49	70½	70½
Pref.	60	53½	63	55	62½	60½

*To Jan. 19.

J. S. Mitchell

Common Stock Looks Attractive for Long Hold

J. S. Mitchell & Company is in a remarkably strong cash position. As yet, no dividends have been paid on the common stock but before the middle of the year it is anticipated that some consideration will be given the shareholders.

The company is a strong little organization operating in the prosperous Eastern Townships area of the Province of Quebec. Its activities include the wholesale and retail distribution of mill, railway, corporation, mining, plumbers', blacksmiths', and contractors' supplies, coal and general hardware. About two years ago, the company was owned privately, but at that time an offering of $600,000 of preferred stocks was sold to the public; it carried a bonus stock. The common stock has since been listed on the Montreal Curb Market. As the company occupies such a remarkably strong liquid position, there is the possibility that it has repurchased some of its own preferred shares. Earnings, it is understood, have steadily increased since the public financing was undertaken. The common shares look like an extremely attractive long hold purchase for a business man. The company operates under an exceptionally able management.

Capitalization—

	Authorized	Outstanding
Common	15,000 shs.	15,000 shs.
No par value.		
Preferred	$1,000,000	$600,000
7 per cent. cumulative. Par $100.		

Officers and Directors—

J. C. Newman, pres.; G. W. Murphy, vice-pres. and gen. mgr.; G. W. Scott, sec.; W. B. Rapley, M. W. Mitchell, L. C. Webster, A. C. Stevens.

Market Record—

	1927 H	1927 L	*1928 H	*1928 L
Common	41	28	40½	38
Preferred	93	93	99½	99½

*To Jan. 19.

There are 77 plants in Canada manufacturing automobile parts and accessories.

Nearly 100 Canadian plants produce $22,000,000 worth of brass and copper goods annually.

CANADIAN INDUSTRIES
C-I-L
LIMITED

SIX GREAT COMPANIES UNDER ONE DIRECTION

This advertisement is published to give the public a clear definition of Canadian Industries Limited; its products; the reason for its expansion and entry into new, though related, fields of commercial endeavour; and its aims.

THE main products of the six manufacturing entities operated by Canadian Industries Limited are: Commercial Explosives and Accessories; Ammunition and Track Signals; Pyroxylins, (sole Canadian manufacturers of genuine Duco), Lacquers, Paints and Varnishes; Pyroxylin and Rubber-Coated Fabrics (Fabrikoid); Cleanable Collars and Cuffs, Combs and Toiletware (Pyralin).

Probably few are aware that nearly all of these seemingly unrelated products have a common chemical origin.

Canadian Industries Limited, the majority of whose stock is owned in the British Empire and which is managed entirely in Canada, in addition to its own research staff, has the knowledge and research backing, for the Dominion of Canada and Newfoundland, of two of the world's greatest chemical engineering organizations—Imperial Chemical Industries Limited of Great Britain, and E. I. DuPont de Nemours & Company of the United States.

CANADIAN INDUSTRIES CXL EXPLOSIVES LIMITED
CANADIAN EXPLOSIVES LIMITED

CANADIAN GIANT LIMITED
CANADIAN GIANT LIMITED

CANADIAN INDUSTRIES DOMINION AMMUNITION LIMITED
DOMINION CARTRIDGE COMPANY LIMITED

CANADIAN INDUSTRIES FLINT DUCO LIMITED
FLINT PAINT & VARNISH LIMITED

CANADIAN INDUSTRIES FABRIKOID LIMITED
CANADIAN FABRIKOID LIMITED

CANADIAN INDUSTRIES ARLINGTON PY-RA-LIN LIMITED
ARLINGTON COMPANY OF CANADA LIMITED

To this unique background, Canadian Industries Limited in large measure owes its development.

The Canadian Industries Limited trade-mark therefore stands for the latest development and the highest standard of quality in the various lines which chemistry has allied with explosives manufacture.

Canadian Industries Limited enterprises are the means of employing very large numbers of Canadians, to whom its Welfare Plans bring a certain amount of comfort and security, and are keeping circulating in Canada many millions of dollars.

Canadian Industries Limited intends to serve its Canadian customers by selling its products at the lowest prices consistent with the maintenance of high quality and service standards, believing that in so doing it also serves its own best interests.

CANADIAN INDUSTRIES LIMITED
AND SUBSIDIARY COMPANIES
MONTREAL

This is Number One of a series of advertisements which will appear in the press throughout Canada

HALIFAX OTTAWA TORONTO SUDBURY COBALT TIMMINS WINNIPEG CALGARY EDMONTON NELSON VANCOUVER VICTORIA

STEEL *and* IRON PRODUCTS OF EVERY DESCRIPTION

THE STEEL COMPANY OF CANADA LIMITED

Sales Offices
HAMILTON
TORONTO
VANCOUVER
HALIFAX
MONTREAL
WINNIPEG
VICTORIA
ST. JOHN

Dominion and Provincial Government Bonds

Municipal Bonds

Public Utility and Industrial Financing

Foreign Issues Quoted

DOMINION SECURITIES CORPORATION LIMITED.
Established 1901
E. R. WOOD; President
Head Office: 26 King Street East
TORONTO 2

MONTREAL OFFICE
189 St. James Street

LONDON, ENG., OFFICE
No. 6 Austin Friars

Besco and Subsidiaries

Financial Structure of Company Complex — Reorganization of Corporation Would Bring Simplification of Finances

Events in the situation surrounding the British Empire Steel Corp. are slowly heading toward a reorganization. Either it will be carried out by Besco itself or the National Trust will play a predominant part in the reorganization through obtaining an order for the liquidation of the Dominion Steel Corp. from the Privy Council.

The Dominion Steel liquidation case comes before the Privy Council probably within a few weeks. In the meantime, interests close to the National Trust Co. have made an offer of 96 for the bonds of the Dominion Iron which are guaranteed by the Dominion Steel Corp. Should the National Trust interests secure control of these bonds, it would probably give added strength to the National Trust Company in its more or less continual struggle with the British Empire Steel Corporation.

Although the Dominion Iron and Steel Company is still in the hands of the receiver, interest charges on the funded debt of the Nova Scotia Steel and Coal Company are met after the interest dates of the issues. The past year has witnessed perhaps some betterment in the position of Besco, the largest industrial organization in the Dominion.

Production of Corporation

The production of the corporation consists of iron ore, steel and coal. During the year there has been some improvement in the demand for steel and for coal. The corporation has many subsidiary enterprises such as lumbering activities, railway activities, and steamship lines, all of which are used to further the output and sales of its products.

The British Empire Steel Corporation is a holding company only and controls only three companies: the Dominion Steel Corporation, the Nova Scotia Steel and Coal Company and the Halifax Shipyards. Besco owns all the common stock in these properties.

Nova Scotia Steel

During the past year the Nova Scotia Steel and Coal Company has been meeting the interest charges on its bonds and debenture issue, not on their due date, but just before the date on which the mortgage holders could commence proceedings to foreclose on the property. The interest payments are being made six and three months after the due date respectively. The reason for the delay in making the payments seems to be due only to the desire of the Besco management to keep the company in as liquid a position as possible. From a physical standpoint, there appears to be an abundance of assets behind the mortgages, but on the other hand, earnings in recent years have been most unsatisfactory; when all is said and done it is the earning power value of assets which determines their value. During the last two years, the earnings have been far, far below the interest requirements on the bonds and debentures. This, without taking into consideration allowances for depreciation. When Besco is ultimately reorganized, there seems to be no doubt that the Nova Scotia Steel & Coal Company debenture holders will have their holdings materially scaled down.

The common stock of the Nova Scotia Steel and Coal Company is entirely owned by Besco. This company in turn controls four subsidiaries. The only subsidiary in which there is any investment interest is the Eastern Car Company, which has bonds in the hands of the public. The latter manufactures railway rolling stock.

Dominion Steel

Shortly, the action of the National Trust Company, asking for the liquidation of the Dominion Steel Corporation comes before the Privy Council. The outlook for the corporation's stockholders depends on the result of this action. Should the Privy Council order the company to be liquidated, it would probably bring about a reorganization of Besco and its subsidiaries which would result in the present preference shareholders receiving some new type of security in exchange for their holdings.

This company, in which all the common shares are held by Besco, is, like its parent organization, simply a holding company. Its three chief subsidiaries are the Dominion Iron and Steel, the Dominion Coal and the Cumberland Railway and Coal Company; the latter exists simply as a carrier for the corporation's output but, nevertheless, it has an issue of bonds in the hands of the public. The Dominion Steel Corporation owns all the common shares of these companies and, in addition, owns $3,500,000 of income bonds of the Dominion Iron and Steel Company, and the same amount of income bonds of the Dominion Coal Company. These bonds rank senior to the preferred shares of both these subsidiaries. In addition, the Dominion Steel Corporation has guaranteed $4,639,000 of the consolidated mortgage bonds of the Dominion Iron and Steel Company, which is now in the hands of the receiver.

Dominion Iron

The Dominion Iron and Steel Company is at present being operated by the receiver for the bondholders. The bond interest is still in arrears. While the company has secured larger orders during the past year, yet the margin of profit, it is understood, has been slight. The fate of the holders of this company's securities appears to depend on the outcome of the action of the National Trust Company shortly to be heard by the Privy Council, on which depends whether or not the Dominion Steel, the holding company, will be liquidated.

As far as physical assets go, there appears to be an abundance of security behind the two bond issues outstanding, but on an earning power basis the bonds look unattractive. The first mortgage issue, though, seems to occupy a strong position. The second mortgage issue is partly in sterling and partly in dollar currency. The holders of the dollar currency bonds seem to be in a fairly strong position because the issue has been guaranteed by the Dominion Steel Corporation and the Dominion Steel Corporation controls the Dominion Coal Company which is a fundamental industry in the Besco chain.

The holders of these dollar bonds have just been offered a price of 96 for the issue provided a definite proportion of the total outstanding dollar bonds are deposited by the end of this month. The price of 96 seems to be a fair one.

The Dominion Iron owns roughly 75 per cent. of Besco's iron ore activities at Wabana, Newfoundland. It operates three iron ore mines there and owns limestone properties, coke ovens, blast furnaces, mills and steel works in and about Sydney, N.S.

While the property has been well maintained, yet the scarcity of orders over the past few years has not allowed it to progress with the times, and it is understood that large capital expenditures would materially improve the property and reduce operating costs. But it is impossible to raise further capital for an industry which gives indications of being moribund.

Dominion Coal

The Dominion Coal Company operates sixteen mines in Cape Breton and also the Sydney and Louisburg Railway. It owns distributing facilities situated at Sydney and Louisburg and Halifax, N.S., and Saint John, N.B., Quebec, Three Rivers and Montreal, P.Q.; in addition, it owns tugs and barges and other valuable assets.

The company's earnings depend solely on its coal production, and, provided there are no labor troubles, the Dominion Coal should be able to more than earn its bond interest each year.

The preferred shareholders of the Dominion Coal Company, though, are in a very much poorer position than the bondholders for, ranking ahead of their shares are the $3,500,000 of income bonds owned by the Dominion Steel Corporation. However, the Dominion Coal is the fundamental property of the Besco industries and while the pithead cost of its coal is high, its output during the past year has shown a satisfactory improvement.

British Empire Steel Corp.

Capitalization—

	Authorized	Outstanding
1st pref. "A" 8% cum.	$60,000,000	None
1st pref. "B" 7% cum.	40,000,000	$ 8,032,100
2nd pref. 7% cum.	75,000,000	*49,958,575
Common	75,000,000	*21,305,400

* Less amounts held by subsidiaries.

Total bonds of subsidiaries held by public	37,682,294

The corporation holds direct the following amounts of preferred stock in its secondary subsidiaries:

Dominion Iron & Steel Co.	$1,663,700
Dominion Coal Co.	200,600
Eastern Car Co.	642,900

The preferred and common stocks of the primary subsidiaries which Besco holds are as follows:

Dominion Steel Corp., pref.	2,294,500
Do., common	43,000,000
Nova Scotia Steel & Coal Co. pref.	192,000
Do., common	15,000,000
Halifax Shipyards, pref.	3,000,000
Halifax Shipyards, com.	5,000,000

Dominion Steel Corp.—
Debentures, $1,000. Held by public.
Preference, $7,000,000. Besco holds $2,294,500. Outstanding $4,705,500.
Common, $43,000,000. All held by Besco.

Dominion Iron & Steel Co.—
1st mortgage bonds, 5 per cent., due 1929, $5,159,000. Held by public.
Can. mortgage bonds, 5 per cent., due 1939, $11,674,253. Held by public. ($4,639,000 guaranteed by Dom. Steel Corp.; $7,035,253 issued in sterling).
Income bonds 6 per cent., held by Dominion Steel Corp., $3,500,000.
Preferred, $5,000,000. Besco holds $1,663,700. Outstanding $3,336,300.
Common, $37,000,000. All held by Dominion Steel Corp.

Dominion Coal Co.—
Bonds, 5 per cent., due 1940, $4,576,000. Held by public.
Income bonds, 6 per cent., held by Dom. Steel Corp., $3,500,000.
Preferred, $3,000,000. Besco holds $200,600. Outstanding $2,799,400.
Common, $15,000,000. All held by Dominion Steel Corp.

Cumberland Railway & Coal Co.—
Bonds, 5 per cent., due 1940, $2,646,000. Held by public; guaranteed by Dominion Steel Corp.
Common, $2,000,000. All held by Dominion Steel Corp.

Dominion Shipping Co.—
Stock, $1,000,000. All held by Dominion Steel Corp.

James Pender & Co.—
Stock, $100,000. All held by Dominion Steel Corp.

Sydney Lumber Co.—
Stock, $150,000. All held by Dominion Steel Corp.

Nova Scotia Steel & Coal Co.—
Bonds, 5 per cent., due 1959, $5,134,135. Held by public.
Debentures, 6 per cent., $4,978,500. Held by public.
Preferred, $1,000,000. $192,000 held by Besco. Outstanding $808,000.
Common, $15,000,000. All held by Besco.

Nova Scotia Land Co.—
Stock, $11,000. All held by Nova Scotia Steel & Coal Co.

Wasis Steamship Co.—
Stock $16,000. All held by Nova Scotia Steel & Coal Co.

Eastern Car Co.—
Bonds, 6 per cent., due 1952, $820,300. Held by public.
Preferred $750,000. Besco holds $642,900. Outstanding $107,100.
Common, $800,000. All held by Nova Scotia Steel & Coal Co.

Acadia Coal Co.—
1st preference, $1,900,000. All held by Nova Scotia Steel & Coal Co.
2nd preference, $1,000,000. $994,500 held by Nova Scotia Steel & Coal Co.
Common, $1,846,100. $1,738,300 held by Nova Scotia Steel & Coal Co.

Halifax Shipyards—
Common, $5,000,000.
Preferred, $3,000,000.
All held by Besco.
Balance payable to Dom. Govt. for dry dock property in annual instalments to Dec. 1, 1936, $1,224,744.

Dividend Record—
First preference, series "B" 7 per cent. per annum, initial dividend of 1¾ per cent. paid Nov., 1921, and regularly to Feb., 1924; none thereafter. Second preference and common no dividend yet paid.

Income and Surplus Account, Years Ending December 31

	1926 $	1925 $	1924 $
Net earn. *	4,424,118	†1,133,443	923,775
Less:			
Depr. & depl.	1,461,625	1,341,765	1,112,515
Bond int.	1,748,498	1,860,697	1,948,496
Bond disct.	75,526	75,526	75,350
Net profits	1,138,469	†4,411,431	†2,212,586
Less: approp.—			
Pref. divs.	......	......	145,033
Surp. for year	1,138,469	†4,411,431	†2,357,619
Add pr. surp.	†5,738,019	†1,326,588	1,031,031
Bal. car. for.	†4,599,550	†5,738,019	†1,326,588

† Deficit. * After deducting all manufacturing, selling and administrative expenses.

Officers and Directors—
R. M. Wolvin, pres.; Sir Newton J. Moore, vice-pres., London; J. E. McLurg, vice-pres., Sydney; G. F. Downs; Senator Beaubien, Sir Trevor Dawson, C. J. Burchell, K.C., Lord Invernairn, Hector McInnes, K.C., F. W. Ross, W. D. Ross, J. P. B. Casgrain, R. F. Hoyt, C. S. Cameron, sec. and treas.; W. A. Doig, asst. sec.; L. C. Webster.

Six Years' Earnings—

Year	Earnings	Dividends	Surplus
1921*	$4,416,451	$ 977,664	$ 755,927
1922	2,917,275	1,344,299	1,024,198
1923	4,444,346	1,346,524	1,031,031
1924	923,775	145,033	*1,326,588
1925	1,133,443	......	*5,738,019
1926	4,424,118	......	*4,599,550

* Deficit.

Market Record—

B. E. Steel

	1926		1927		*1928	
	H	L	H	L	H	L
Common	3½	¼	3½	½	3¾	1
1st pref.	30	9	35½	10	35	22
2nd pref.	10¾	1	6½	1	6½	3½

Dom. Iron & Steel

	1926		1927		*1928	
	H	L	H	L	H	L
Pref.	24¾	5	5	1½	5	5
Bonds	92	69	94	69	95⅛	94

Dom. Coal

	1926		1927		*1928	
	H	L	H	L	H	L
Pref.	72½	40	85	67	80	75
Bonds	85⅞	84½	94¾	86	..	..

Dom. Steel

	1926		1927		*1928	
	H	L	H	L	H	L
Pref.	26	10⅝	44	20	55	44

* To Jan. 19.

Massey-Harris

Company's Preferred Stock is Good Investment and Common Has Interesting Speculative Possibilities

Massey-Harris Co. Ltd. is the largest manufacturer of farm implements in the British Empire and one of the three largest and soundest companies in this business in the world. The company manufactures every type and variety of farm implement and many allied implements, excepting the standard threshing machine, and in recent months the company has made a contract with the Sawyer-Massey Co. to market that company's standard threshing machine in Canada and throughout the world. Massey-Harris Co. not only occupies the premier position of Canadian manufacturers in Canada, but has branches in Europe, Australia, New Zealand, South America and South Africa.

The company publishes a catalogue of 220 pages, where scores of implements of hundreds of varieties and styles are specified and illustrated. Binders, carts, cultivators, cutters, diggers, disc harrows, cream separators, gasoline and kerosene engines, transport trucks, farm wagons, sleighs, drills, tanks, hoes, harrows harvesters, hay loaders, and racks, grinders, sprayers, plows, plow hitches, rakes, reapers, reaper-threshers, saw outfits, sowers, soil pulverizers, tobacco cultivators, cotton planters, tractors, transport trucks and wheelbarrows, are among the devices manufactured and marketed.

The company's sales organization may be considered world wide. The factories in Canada are supplemented, moreover, by a factory in France and branch warehouses in connection with sales organizations in other countries. More recently the company has decided to build a factory in Cologne, Germany, it is understood.

The company is soundly financed. The bonds are regarded highly as industrial bonds. The preferred stock is a good preferred stock investment and the common has interesting speculative possibilities.

Earnings in the last several years have been growing rapidly and the report for 1927 when it is available probably will show some increase over that for 1926. Earnings naturally just fluctuated with fluctuations in crops in the various agricultural countries, particularly the grain growing countries. But the investor who is willing to hold his stock for a term of years probably will find the investment increasingly satisfactory, assuming that the management remains economical in administration and aggressive in maintaining the products of the company in the forefront of manufacturing achievement.

Capitalization—

	Authorized	Outstanding
Common .... No par value.	500,000 shs.	500,000 shs.
Preferred .... Shares $100 each.	$12,500,000	$12,089,900

Funded Debt—
Sinking fund gold debenture bonds, 5 per cent., due 1947 .... $12,000,000

Dividend Record—
Preferred 7 per cent. per annum, payable quarterly, Feb., May, Aug. and Nov. 15. None paid on common.

Officers and Directors—
J. N. Shenstone, pres.; T. Bradshaw, vice-pres. and gen. mgr.; C. N. Appleton, sec.; C. L. Wisner, G. Valentine, E. R. Wood, W. J. Verity, G. W. McLaughlin, C. S. Blackwell, A. S. Patterson, J. G. Hossack, T. A. Russell.

Income and Surplus Account, Years Ending November 30

	1926 $	1925 $	1924 $
Net earn.	3,005,320	2,345,543	1,065,180
Add other inc.	......	661,139	......
Total	3,005,220	3,007,682	1,065,180
Less—			
Depreciation	500,245	939,165	282,567
Interest	193,151	480,513	667,668
Taxes	200,000	150,000	......
Cont., etc.	100,000	......	......
Net profits	2,011,824	1,438,004	114,945
Less approp.—			
Pref. divs.	846,293	......	......
Pension fund	16,056	26,830	27,235
Adjustment	......	......	19,154
	862,349	26,830	46,389
Surp. for year	1,149,475	1,411,174	68,556
Add pr. surp.	2,359,883	818,709	750,153
Cont. of sub. cos.	......	130,000	......
Bal. Car. for.	3,509,358	2,359,883	818,709

Four Years' Earnings—

Year	Earnings	Dividends	Surplus
1923	$1,120,937	......	$ 750,153
1924	1,065,180	......	818,710
1925	3,007,682	......	2,359,883
1926	3,005,220	$846,293	3,509,358

Market Record—

	1927		*1928	
	H	L	H	L
Common	43⅛	29	44¾	39½
Preferred	109¾	103½	109¼	108½

* To Jan. 19.

Foundation Company

Satisfactory Year Concluded — Earnings Should Reach 1926 Level

The year just concluded was a satisfactory one for the Foundation Company; earnings during the year, it is understood, were virtually at the 1926 level. The outlook for the company during the current year is considered excellent. For its profits the Foundation Company depends on no single industry and its construction activities are well-diversified.

The sole investment interest in the company lies in its issue of first preferred stock; all the second preference stock is owned by the parent New York organization. The present and predecessor companies have been in successful operation during the past seventeen years. A large proportion of the company's revenue comes from industrial engineering work. Thus, with the general industrial expansion being carried on in this country, the Foundation Company should obtain its share of the larger business offering this year. The company builds terminals, bridges, industrial plants, mine shafts and specializes in hydro-electric developments and all types of foundations. It obtains benefits through its close association with the American and British companies of the same name.

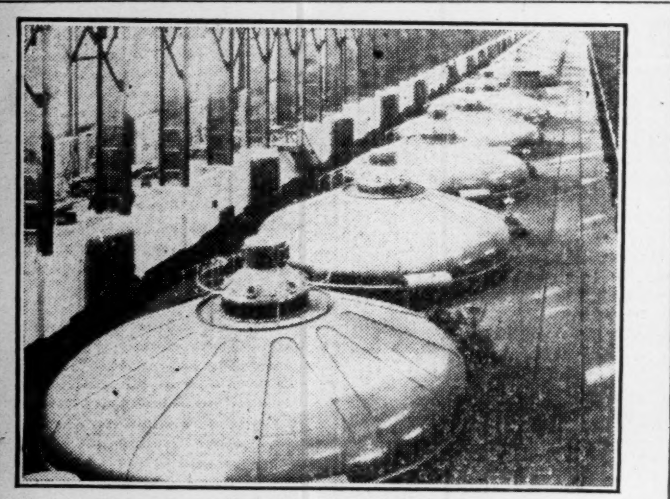
Capitalization—

	Authorized	Outstanding
Common	$200,000	$200,
Pref., 1st	400,000	400,
Pref., 2nd	250,000	250,

Par of common, $25; par of Preferred, $100.
All of second preferred and majority of common are owned by the Foundation Co. of New York.

Dividend Record—
Regular dividends on 1st and 2nd preferred paid from date of issue.

Officers and Directors—
John W. Doty, pres.; V. M. Drury, vice-pres.; R. E. Chadwick, vice-pres. and gen. mgr.; A. J. Brown, Franklin Remington, E. R. Decary, W. F. Angus, H. J. Deutschbein, C. B. McNaught, N. A. Timmins, F. H. Phippen.



Montreal Light, Heat and Power Company's Plant, Cedars, Quebec
Painted with Sherwin-Williams Mor-lite

Better Light Means More Efficiency

Sherwin-Williams Mor-Lite makes better light possible. It is made expressly for use on interior walls and ceilings of factories, office buildings, warehouses, etc. Tests have proved conclusively that Mor-Lite, compared with other brands, possesses greater reflecting efficiency.

Mor-Lite may be secured in either Gloss white, Flat white or Egg-shell white, the latter being the most popular, due to its velvet finish which eliminates all possibility of eye strain. Mor-Lite is of standard Sherwin-Williams quality. It is unusually economical because of its covering capacity. It may be brushed or sprayed.

Full particulars of this "efficiency" product will be sent upon request.

THE SHERWIN-WILLIAMS CO.
of Canada, Limited
Head Office MONTREAL

SHERWIN-WILLIAMS
PAINTS-VARNISHES-ROGERS LACQUER

ENDURANCE FORGINGS

Covering a wide field and supplying Forgings of all descriptions in Open Hearth, Carbon and Alloy Steels

Serving
MINING
PAPER
MARINE
ELECTRICAL
HYDRAULIC
and all Mechanical Industries

We solicit your inquiries

Canada Foundries & Forgings
LIMITED
WELLAND ONTARIO

Northern Ontario Representative
B. D. KELLY - - TIMMINS

"FROM MINE TO MARKET"

A Comprehensive List of the Products of the

Dominion Iron & Steel Company, Limited

Iron Ore

Blast Furnace, Foundry and Household Coke, Crushed, Screened and Sized Blast Furnace Slag for Railroad Track Ballasting, Concrete Aggregate and Road Material, Coke Oven By-Products: — Sulphate Ammonia, Tar and Motor Fuel.

Basic and Foundry Pig Iron

Basic Open Hearth Steel Ingots, Blooms, Billets, Slabs, Rails and Tie Plates.

Miscellaneous Bar Mill Products

Plain and Twisted Concrete Reinforcing Bars, Small, Rounds, Squares and Flats, Special Small Shapes, Wire Rods and Wire Products, Plain Wire — Bright, Annealed and Galvanized, Galvanized Barbed Fence, Plain Twist and Coiled Spring, Steel Fence Wire, Wire Nails — All Sizes and Shapes — Bright, Blued, Cement Coated and Galvanized, Wire Staples — Bright and Galvanized.

The Products of the Dominion Iron & Steel Company, Limited, are exported to England, Newfoundland, Australia, New Zealand, China, Japan, British West Indies, South America and South Africa

Dominion Iron & Steel Co. Limited
National Trust Company Limited
Receiver and Manager
Sydney, N.S.

Building Products

It is Expected Earnings Will be Somewhat in Excess of $3 Per Share

In the middle of November, 1927, 600,000 shares of the Class A no par value non-voting common stock of Building Products, Ltd., was offered the public at $22.50 per share. There has been a 15 point advance in the value of these shares in the succeeding two months. This rapid advance is indicative of investment opinion as to the future of this company.

With the building industry in Canada active, the future bright, and the proportion of buildings using patent roofing of one sort or another, rapidly on the increase, it is believed that the earnings of this company will continue to grow. The report for 1927 is not yet available, but it is believed that these earnings will be somewhat in excess of $3 per share in 1926.

The dividend rate is $1.20 per annum for the final quarter of 1927.

It is announced that important economies have been effected through the consolidation of the business. New products recently added have met with the general approval of the building trade. Recently, a sale was completed of water power rights on the Jacques Cartier River at Pont Rouge, Que., on a very satisfactory basis and on terms which provide the company with a very favorable contract for the supply of power.

Capitalization—

	Authorized	Outstanding
Common "A" ...	105,360 shs.	105,360 shs.
Common "B" ...	4,500 shs.	4,500 shs.
No par value.		
Pref. 7% cum...	$750,000	$700,000
Par $100.		

Funded Debt—
None.

Dividend Record—
Preferred 7 per cent. per annum, payable quarterly, Jan., April, July and Oct. 1. On "A" and "B" common $1.20 per annum, payable 30c. quarterly, Jan., April, July and Oct.

Officers and Directors—
Officers—Herbert Abraham, chairman of board; P. R. Allen, pres.; H. C. Bonney vice-pres.; Wm. R. McNeil, vice-pres. and mgr. dir.; R. C. Crooker, sec.-treas.
Directors—Herbert Abraham, New York; Philip R. Allen, East Walpole, Mass.; H. C. Bonney, New York; Wm. R. McNeil, Hamilton; A. E. Ames, Toronto; C. P. Cowan, Montreal; D. P. Hatch, Montreal, Que.

Income and Surplus Account, Years End: Dec. 31.

	1926 $	1925 $
Net sales	2,287,805	....
Other income	20,832	....
Total	2,308,637	....
Less: Cost of sales	1,578,624	....
Expenses	400,559	....
Bad debts	26,222	....
Depreciation	93,233	....
Net profits	209,999	89,206
Less appropriation:		
Preferred dividends	52,500	13,006
*Dividends	......	35,994
Contingency res.	43,466	....
Surplus for year	114,033	40,206
Add previous surplus	40,206	....
Bal. carried forward	154,239	40,206

*Dividends and interest of constituent companies paid prior to acquisition of these securities by the company.

Market Record—

	1927 H	1927 L	*1928 H	*1928 L
Common	34½	23¼	40½	34
Preferred	105	93½	105	104

*To Jan. 19.

Canadian Bronze

There is Steady Level of Earnings Sufficient to Keep Company in Satisfactory Position

The Canadan Bronze Company was first called to the attention of investors last May when an able and strong group of Canadians acquired the property from the original owners and financed the transaction by public offering of preferred and common stock. The predecessor company had never had an unprofitable year since its establishment 31 years ago.

Since the shares were first offered publicly, there has been a decided appreciation both in the preferred and common. The company is in a strong liquid position and it is understood that earnings are steadily increasing. Hence it is believed that the declaration of an initial dividend on the common is anything but a remote possibility. It is thought a dividend will probably be declared comparatively shortly.

The company's plants at Montreal, St. Thomas, Winnipeg and Calgary manufacture bronze bearings, bushings and castings, principally for freight and passenger cars and locomotives in Canada. All but a small fracton of the total railway requirements in this country are handled by the Canadian Bronze. The principal source of the company's income is from replacement orders for maintenance.

If railroad orders are particularly heavy in one year, the company experiences a decided increase in earnings. But the record of its profits indicates that the industry is anything but a feast or famine affair, and that there is a steady level of earnings sufficient to keep the company in a satisfactory position.

One of the satisfactory points about securities of the company is the strong board of directors under which it operates. The common shares are regarded as a satisfactory long hold for a business man. The preferred is an excellent purchase in its class.

Capitalization—

	Authorized	Outstanding
Common	50,000 shs.	40,000 shs.
Pref. 7% cum. ...	$1,500,000	$1,250,000
(Par value $100)		

Funded Debt—
None.

Dividend Record—
On preferred, 7% per anunm, payable quarterly. Initial dividend of 1¾% paid Aug. 1. 1927.

Directors—
Sir C. B. Gordon, Sir H. Holt, A. E. Dyment, Ross H. McMaster, E. R. Decary, S. H. Jones, P. R. Diamond, man. dir.

Market Record—

	1927 H	1927 L	x1928 H	x1928 L
Common	69	43	78½	67
Preferred	110½	98½	110½	109½

xTo Jan. 19.

Kelvinator of Canada

Difficulties of Company Are Traceable to Expansion Program Embarked Upon by Parent Company

One of the comparatively few disappointing stocks on the Canadian market in the last year has been that of Kelvinator of Canada, both preferred and common. Dividends still are being paid on the preferred shares as a result of the unconditional guarantee of the parent company. It is selling on a basis of very high yield. The common is selling at a low figure.

Difficulties of this company are traceable to the expansion program embarked upon by the parent company, Electric Refrigeration Corp., in the United States, and to the fact that the manufacture of electric refrigerators and kindred products is necessarily a seasonal business.

There are hopes that the conditions for the company will improve. The expansion program has been completed and the factories are in position to turn out the goods economically and in large volume. Some further financing has improved the liquid position of the parent company. A change in some executive situations has altered the outlook in some degree.

The Canadian company is operating its plant at London, Ont., and sales are reported to be improving.

Kelvinator of Canada cannot yet be considered a safe investment. At the best, it should be called highly speculative, but the outlook at present does not seem to be any worse than the outlook of six months ago.

Capitalization—

	Authorized	Outstanding
Common	100,000 shs.	100,000 shs.
No par value.		
Preferred	$800,000	$788,500
Par $100.		

Funded Debt—
None.

Dividend Record—
Preferred 7 per cent. per annum. First dividend paid May, 1926, and quarterly since, Feb., May, Aug. and Nov. 15.

Officers and Directors—
Officers—A. H. Goss, pres.; J. B. Goss, Jr., vice-pres. and gen. mgr.; B. A. McDonald, treas.; A. T. Little, sec.
Directors—A. H. Goss, W. D. Mercer, Howard A. Lewis, Detroit, Mich.; J. B. Goss, Jr., Arthur T. Little, London, Ont.; D. O. Bull, Brampton, Ont.; C. B. McNaught, A. E. Ames, Toronto.

Profit and Loss Account to Sept. 30, 1926

Received from:	
Kelvinator Corporation	$60,000
Electric Corporation	14,371
Total	$74,371
Preferred dividends	$28,000
Balance forward	$46,371

Stock Range—

	1926	1927	*1928
Preferred, high	95¾	95	68½
Low	87	50	65
Common, high	24¼	15	6¼
Low	9⅞	4	5

* To Jan. 20.

Page-Hersey Tubes

Stock Has Been Among Best in the Canadian Market

One of the most satisfactory stocks in the Canadian market in the last year has been that of Page-Hersey Tubes. The preferred, being convertible into common on the basis of two common for one preferred, has kept pace and in the lower levels was highly attractive because of the current yield.

The company is soundly financed, ably managed and is manufacturing products which are finding ready markets. Bonds are being retired rapidly and it is assumed that eventually all the preferred stock will have been converted.

The company operates either directly or through subsidiaries five mild-steel and wrought iron plants producing tubes and pipes for industrial purposes. Plants at Guelph, Welland and Cohoes, N. Y.

Capitalization—

	Authorized	Outstanding
Common	175,000 shs.	11,120 shs.
(No par value)		
Preferred	$3,000,000	$3,000,000
(7% cum., par $100)		

Funded Debt—
Sinking fund gold bonds, 6%, due 1946, $1,900,000.

Dividend Record—
Preferred, 7% per annum, payable quarterly, Jan., Apr., July and Oct. 1; Common, $3 per share per annum. First quarterly payment made Oct. 1, 1926.

Officers and Directors—
W. W. Near, pres. and gen. mgr.; H. C. Scholfield, vice-pres.; D. H. Friedman, vice-pres.; Hon. D. Muhlfelder, C. L. Dunbar, Sir H. M. Pellatt, C.V.O.; A. W. Holmested, H. J. Fuller, A. E. Ames, H. Rooke, sec.-treas.

Income and Surplus Account, Year Ending December 31

	1926
Net profits	$382,174
Less appropriations:	
Preferred Dividends	105,000
Common dividends	166,680
Surplus for year	$110,494

Market Record—

	1926 H	1926 L	1927 H	1927 L	x1928 H	x1928 L
Common	59½	43	90	55½	98½	85
Preferred	120	100½	180	116	194	171

xTo Jan. 19.

Canada Foundries

Outlook Seems to Have Changed But Little During Past Year

As yet, it is too early to obtain any information regarding how the Canada Foundries and Forgings earnings during 1927 will compare with those experienced in the preceding year. Foundries and Forgings has experienced the same low prices, though, and the same slump in the demand which has affected all the steel companies in Canada over recent years. The outlook for the company seems to have changed but little during the past year. While the stock is held by the public it is closely held; there are few trades in the shares which are listed on the Montreal Stock Exchange.

Canada Foundries and Forgings operates two plants at Welland and one at Brockville, Ont. It also has the controlling interest in the capital stock of the Mann Axe Company at St. Stephen, N.B.

Capitalization—

	Authorized	Outstanding
Pref. 7% cum....	$2,000,000	$960,000
Com. stock	2,000,000	960,000

Funded Debt—
First mortgage sinking fund, 6 per cent. bonds, due Feb. 2, 1942; interest payable 2nd Feb. and Aug., $223,900.

Dividend Record—
Preferred 7 per cent. per annum payable 15th Feb., May, Aug. and Nov. Paid up to and including May, 1914; none thereafter until 3½ per cent. Aug., 1915; 7 per cent. Nov., 1915; paying up arrears; thereafter 1¾ per cent. quarterly to Feb., 1921; none thereafter; on account of arrears, 2 per cent. was paid June, 1927; 1½ per cent. each, Sept. and Dec., 1927. Initial dividend on common of 10 per cent. paid Feb., 1916; May, 1916, 4 per cent. and bonus of 3 per cent.; from that date 3 per cent. was paid quarterly, together with bonuses of 3 per cent. up to Feb., 1917, inclusive; May, 1917, to Aug., 1920, 3 per cent. each quarter; Nov., 1920, 1 per cent.; none since.

Officers and Directors—
W. M. Weir, pres.; Rt. Hon. G. P. Graham, vice-pres.; H. B. Housser, Lt.-Col. C. W. MacLean, C. N. Monsarrat, W. D. Robb, W. T. Sampson, Jas. Arnold, gen. mgr.; H. J. Trihey, J. Gleeson, G. C. Edwards.

Income and Surplus Account, Years Ending December 31

	1926 $	1925 $	1924 $
*Net earnings	140,553	76,364	42,692
Invest. income	36	27	10,000
Total	140,589	76,391	52,692
Less: Bond int.	13,434	13,434	14,829
Int. on loans	12,478	12,984	14,854
Admin. exp.	25,310	26,006	30,506
Total	89,367	23,967	†7,497
Add prev. surp.	988,519	964,552	972,049
Bal. car. forward	1,077,886	988,519	964,552

*After depreciation, repairs and bad debts.
†Deficit.

Ten Years' Earnings—

Year	Earnings	Dividends	Surplus
1917	$695,586	$211,200	$1,128,281
1918	612,117	182,400	1,297,706
1919	242,062	182,400	1,285,222
1920	117,475	163,200	1,204,273
1921	*3,704	5,600	930,599
1922	74,842	......	947,912
1923	129,657	......	972,048
1924	52,692	......	964,551
1925	76,391	......	988,519
1926	140,589	......	1,077,886

*Loss.

Market Record—

	1926 H	1926 L	1927 H	1927 L	*1928 H	*1928 L
Com.	17	8	27	17	20	15
Pref.	70	41½	87½	66	68	65

*To Jan. 19.

Durant Motors

After Four or Five Years Company Goes on Dividend Basis with First Quarter of 1928

After four or five years of greater or less discouragement Durant Motors of Canada goes on a dividend basis with the first quarter of 1928. The company closed its fiscal year 1926 with cash on hand totaling close to $900,000. The figures for 1927 are not as yet available, but it is said on excellent authority that the balance sheet, when published in a few weeks, will show a considerable improvement over 1926. This is a highly gratifying situation for investors in this company, who number 11,000 throughout the nine provinces of Canada, and is a much better situation than often had been predicted by persons who were skeptical of the outlook for the company at the time of its organization.

The balance sheet also shows the company to be in sound position. There is no funded debt and the plant and equipment at Leaside, near Toronto, are free of all encumbrances of any sort. There are no bank loans and W. C. Durant, a year ago, said that, in his opinion, there would be no necessity for the company ever borrowing to finance its current obligations.

The rate of dividend on the stock will be announced some time in February.

Capitalization—

	Authorized	Outstanding
Stock	$3,000,000	$2,846,960
Par $10.		

Funded Debt—
None.

Officers and Directors—
W. C. Durant, pres.; C. F. Daly, vice-pres. and treas.; H. F. Herbermann, sec.; James A. Brand, asst. sec.; R. D. Kerby, gen. mgr.; C. O. Miniger, E. A. Wallberg.

Income and Surplus Account, Years Ending December 31

	1926 $	1925 $	†1924 $
Net earnings	234,592	*20,883	*78,250
Less: Tax res.	24,000	....	....
Net profits	210,592	*20,883	*78,250
Add net adjust.	......	3,921	....
Surplus for year	210,592	*16,962	*78,250
Prev. surplus	*77,011	*60,049	18,201
Bal. carried for...	133,581	*77,011	*60,049

*Deficit.
†For 10 months.

Canadian Vickers

Common Stock Has Many Attractions as Long Hold Speculation for Business Men

Until the summer of 1927, there was no Canadian investment interest in Canadian Vickers, Limited. At that time, the property was acquired by strong Canadian interests. The transaction was financed by a bond issue and by an issue of preferred shares carrying a bonsus of common stock. The new interests behind the company have been vigorously developing the company's business which is of an extremely varied character.

The satisfactory price paid for the property, the business expansion now taking place in Canada and the varied activities of the organization, indicate that the outlook for the future of Canadian Vickers' securities is satisfactory.

The company receives until 1949 an annual subsidy from the government of $105,000,—a sum equal to more than two-thirds of its bond interest requirements.

The company's activities are divided into four separate departments; marine, aviation, structural steel and industrial engineering. The marine department includes the company's dry dock activities, shipbuilding and ship repairing activities. The present world shipping situation indicates that the company will have little opportunity to make profits on building the larger ships, but it makes earnings from ship repairs and from its dry dock.

The expansion of aerial activities holds the promise of growing earnings from the aviation department. The structural steel end of the business is active and indications point to a continuation of this activity. The industrial engineering department makes equipment for steam plants, hydro electric plants, pulp and paper mills and for industries generally.

Capitalization—

	Authorized	Outstanding
Common	100,000 shs.	50,000 shs.
No par value.		
Pref. 7% cum. ..	$5,000,000	$1,700,000
Par $100.		

Funded Debt—
First mortgage bonds, 6%, due 1947 ... $2,750,000

Officers and Directors—
James Playfair, pres.; F. M. Ross, vice-pres.; V. M. Drury, N. A. Timmins, J. A. Richardson, J. McL. Stephen, G. Barr, man. dir.

Estimated Earnings of Canadian Vickers for the Year 1927

Net profits	$516,000
Government subsidy	105,000
	$621,000
Bond interest	165,000
Preferred dividend	119,000
Depreciation at 3%	180,000
Income tax	19,000
Application to common	$138,000

Sawyer-Massey

Results of Half Year's Operations of Company Are Very Gratifying

Sawyer-Massey is one of those old businesses which has been rejuvenated in 1927. Although the new company did not get into operation until midsummer, the results of the half year's operations have been so very gratifying that one financial observer in position to know stated recently that the troubles and difficulties of the new company are in the past.

The company has two main products, a threshing machine of the standard type and road machinery of various types and for various purposes. Both lines of products have a large measure of goodwill.

Recently Sawyer-Massey concluded an arrangement with Massey-Harris Co. where Massey-Harris Co. becomes the exclusive sales agent at home and abroad for the Sawyer-Massey thresher. A threshing machine of the standard type was the only farm implement of importance and general use which Massey-Harris did not manufacture. The arrangement, it is believed, will be highly beneficial to Sawyer-Massey Co., as it gives Sawyer-Massey an outlet for its threshing machine, which will enable it to devote its marketing efforts to the road machinery business. The road machinery business is exceptionally promising in view of the fact that thousands of miles of new roads are being built every year, with other thousands of miles of new roads projected.

At present the only investment interest in Sawyer-Massey lies in the fact that the old Sawyer-Massey Co. holds 16,500 shares of the no par value common stock of the 50,000 shares outstanding of the new company. Over a term of years this investment of the old company will go some distance toward reimbursing shareholders for the loss of dividends in the last ten or twelve years.

Ontario Steel

Company is Well Managed and Future Appears to be Assured

Ontario Steel Products, Ltd., has become a more popular stock in the course of the year, not only through increased profits, but because of the split in the stock four for one, the right of conversion being conferred on the preferred shares, and a bonus of one per cent. in addition to the regular quarterly dividend paid on August 15th.

The report of the company for the year ended June 30th, which was published last August, stated that production and deliveries from the various works showed an increase over any previous year, but it was noted that the margin of profit was reduced. The tonnage output for the year showed an increase of more than 20 per cent. over 1926, and it was anticipated that the turnover for the current year would show a further gain. In the main, this expectation has been realized, although there was a slowing up in the automotive industry in the fall of the year. This slowing up, however, has been offset by a more than normal activity in the early part of 1928, and the last weeks of 1927.

The company in the year, has completed an addition to the Central Spring Works at Oshawa. While the company's most profitable lines are springs and other parts of automobiles, there is a substantial backlog of activity in the production of shovels, spades, and scoops. Both in the domestic and export market this business has shown an encouraging increase in the past year or eighteen months, and will necessitate further improvements and modernization of the works at Gananoque.

The company's balance sheet shows a conservative financial policy. A reduction in the amount of securities on hand is accounted for by the expenditures for extension to plant and improvement of equipment at Oshawa and Gananoque.

Capitalization—

	Authorized	Outstanding
Common	$2,000,000	$750,000
Pref. 7% cum.	750,000	750,000

Funded Debt—

Bonds 6%	600,000	375,000

First mortgage due July, 1943, sinking fund.

Dividend Record—
Preferred paid quarterly. Common dividends started Aug., 1920, paid 8 per cent. to Dec., 1921, when it was reduced to 4 per cent. Passed for quarter ending Mar., 1922. Resumed by payment of 1 per cent. for August, 1923, and quarterly thereafter to No., 1927, when the rate was increased to 6 per cent. per annum. An extra dividend of 1 per cent. paid Aug., 1925, Aug., 1926, and 1927.

Officers and Directors—
W. W. Jones, pres.; Dr. N. C. Jones, J. T. Richardson, W. T. Sampson, vice-pres. and gen. mgr.; Dr. C. H. Bird, D. F. Jones, K. Molson, F. P. Jones, H. M. Jaquays, F. Petch, sec.-treas.

Income and Surplus Account, Years Ending June 30

	1927 $	1926 $	1925 $
Gross earn.	224,144	227,619	219,956
Less: deprec.	65,654	61,969	61,969
Bd. int. & s. f.	48,000	48,000	48,000
Net profits	110,490	117,650	109,987
Less approp.—			
Pref. divs.	52,500	52,500	52,500
Com. divs.	30,000	30,000	30,000
Surp. for year	27,990	35,150	27,487
Add pr. surp.	*463,153	*435,503	415,516
Bal. car. for.	491,143	470,653	443,003

* Adjusted.

Ten Years' Earnings—

Year	Earnings	Dividends	Surplus
1918	$208,107	$ 61,875	$281,729
1919	198,770	73,125	359,374
1920	315,900	67,500	528,409
1921	223,446	112,500	564,087
1922	141,084	90,000	413,101
1923	189,888	52,500	442,022
1924	179,838	90,000	415,516
1925	219,956	82,500	443,003
1926	227,619	82,500	470,653
1927	234,144	82,500	491,143

Market Record—

	1925 H	1925 L	1926 H	1926 L	1927 H	1927 L
Com.	75¼	41	78½	60	119	73
Pref.	102	91½	103	98	120	100
Bds.	...	...	100¾	100¾	103	102

Dominion Alloy

Dominion Alloy Steel Corp. operates a galvanizing and black sheet mill at Sarnia. The management of the company says that its products are being sold at a profit. It is considered by observers to be improbable that the company ever will prove a satisfactory investment. There are said to be 8,000 shareholders in Canada and the United States.

Capitalization—

	Authorized	Outstanding
Common	$7,500,000	$5,000,000
Pref. 8%	7,500,000	900,000

Funded Debt— None.

Officers and Directors—
W. B. Boyd, pres.; E. J. Jacques, sec.; C. H. Wills, W. H. Kenny, Sir H. M. Pellatt, Rhys D. Fairburn, R. M. Norton.

Brandram-Henderson

Poor Market Prevails for Stock Which is Not Listed on Any Exchange

Between 1922 and 1926 the earnings of Brandram-Henderson, Ltd., have been unsatisfactory, particularly as viewed from the angle of the common shareholders. With the exception of 1924 and 1925, though, earnings were in excess of the preferred dividend requirements. Regular dividends on the preferred stock have been paid for many years.

The company is the second largest paint and varnish organization in Canada and like some of the other paint producers, has developed a nitro-cellulose lacquer which finds a ready market.

An unsatisfactory point about the shares is that a poor market prevails for the stock which is not listed on any exchange. The preferred shares return a high yield but they are speculative.

Capitalization—

	Authorized	Outstanding
Common	$1,250,000	$1,179,900
Pref. 7+ cum....	500,000	500,000

Dividend Record—
Pref. 7% per annum, payable Jan., April, July and Oct. 1. Initial dividend on common of 3%, paid Feb. 15, 1917, March 1, June, Sept. 3, and Nov. 30, 1918; March 1, June, Sept. 1, and Dec. 1, 1919, 1% each; March 1, 1920, 1¼%, which quarterly rate was maintained up to and including Dec. 1, 1921. In March, 1922, the annual dividend rate was reduced to 3%, payable 1½% May 1, and 1½% Dec. 1, 1922; 1923 and 1924, 4% each. Passed for quarter ended Jan. 31, 1925, and since.

Funded Debt—
First mortgage 6% gold bonds, due 1936, outstanding, $275,500. Consolidated bonds 6%, due 1939, $859,000.

Officers and Directors—
George Henderson, pres.; C. Archibald, vice-pres.; Hector McInnes, K.C.; H. B. Stairs, K.C.; I. C. Stewart, Thos. Cantley, H. H. Champ, G. H. Montgomery, K.C., W. A. Black, G. Macgregor Mitchell, V. M. Drury, and J. M. C. Muir, sec. and treas.

Income and Surplus Account, Years Ending December 31

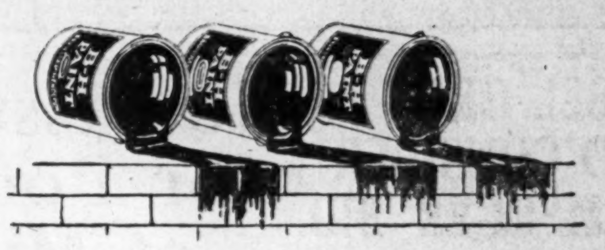
	1926 $	1925 $	1924 $
Net earnings	155,766	103,296	101,827
Bond interest	68,723	70,231	71,299
Bond dis.	12,494	12,494	12,494
Depreciation	10,000	8,000	7,500
Tax reserve	......	......	9,180
Net profits	64,649	12,571	1,354
Pref. div.	35,000	35,000	35,000
Com. div.	......	......	47,196
Res. for bad dts.	....	52,500	30,000
Invent. res.	....	70,000	....
Pensions	3,500	3,500	....
Surplus	26,149	*148,429	*80,842
Prev. surplus...	732,658	726,087	836,929
Trans. from res.	....	155,000	....
Bal. forward	758,707	732,658	726,087

*Deficit.

Ten Years' Earnings—

Year	Earnings	Dividends	Surplus
1917	$221,429	$64,100	$412,184
1918	238,133	*53,000	501,519
1919	299,736	78,800	638,027
1920	120,835	83,500	987,506
1921	147,742	94,005	828,360
1922	163,703	70,397	854,585
1923	144,121	82,196	836,929
1924	101,826	82,196	726,087
1925	103,296	35,000	732,660
1926	155,766	35,000	758,707

*For 13 months.



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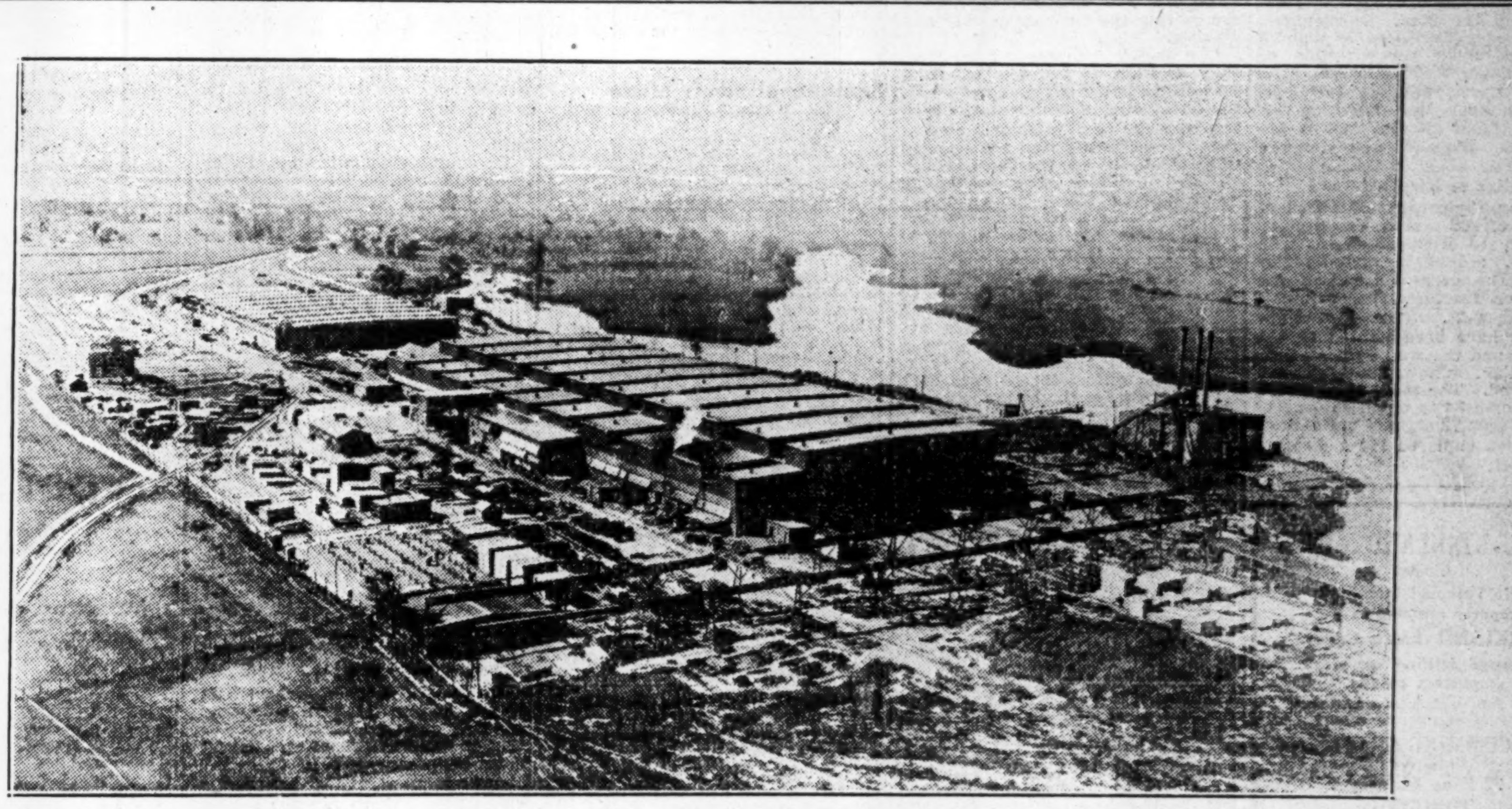

National Steel Car Corporation, Limited

Builders of Passenger Cars — Freight Cars — Street Cars — Air Dump and Industrial Cars of all descriptions. Automobile Chassis Frames and Parts — Steel Pressings — Forgings — Drop Forgings. "National" Motor Trucks.

HAMILTON - ONTARIO - CANADA

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Toronto, Ont.

307a St. James Street,
Montreal, Que.

McIntyre's Workings Deepest in Northland

CANADIAN MINING NEWS

Regular Weekly Department of The Financial Post

Easterners Cause Boom in B.C. Mine Shares

LEBEL ORO TO CONSIDER MERGER BID

Directors to Debate on Offer From Nipissing Mines

DETAILS NOT PUBLIC

Understood That Proposal is Quite Reasonable One From Lebel Point of View

Lebel Oro directors will meet this week to consider an offer from Nipissing Mines to take over the operation of the company's property in East Kirkland Lake.

Details of the Nipissing offer will not be made public unless the directors deem the proposal as one worthy of submitting to shareholders.

It is understood that the offer is quite a reasonable one from Lebel Oro point of view. It was made following a study of the property by Cyril W. Knight, geologist, of the Nipissing Co., and would assure the development of the property under the skilled direction of Nipissing's engineers. If gone on with, it is understood that there will be no reduction in the holdings of Lebel Oro shareholders.

It is officially announced that Lebel Oro Mines in driving south-east under a swamp in vicinity of Mud Lake, picked up a new vein which measures 55 inches across the face where cut and a channel sample gives an average value of $12.

Five Veins

This makes five veins cut on the 200-ft. level and there is one known vein yet to be cut into. The north-west cross-cut from the drift on No. 1 vein which runs east of the shaft cut 3 veins and is now driving to a fourth.

Prior to making this discovery, seventeen feet of highly mineralized vein matter was encountered by Lebel Oro in the cross-cut south-east of the present face off No. 1 vein on the 200-ft. level.

A station has been cut at the 100-ft. level and a small cross-cut of 20 feet made, but development work at the present time is being centered on the 200-ft. level. Cross-cutting is in progress to the north-west and drifting is being carried out in No. 2 vein to the north-east.

Interesting Values

The width of mineralization of No. 1 vein averages around six feet. Some very interesting values have been found in this, the main vein, and also in the shaft. Values running as high as $200 have been obtained over a narrow width of from eight to ten inches, and fair values have been found over a width up to six feet.

The present rate of development is 14 feet a day. Efforts are being concentrated on No. 1 and No. 4 veins, and cross-cutting is being carried to the porphyry mass to the north-west.

Drifting has just started on No. 4 vein. Some 20 feet of drifting has been done here and encouraging values have been found over the full width of the face. The mineralization here has a width of from five to six feet.

Work on the Lebel Oro was resumed last November. The shaft was then down to its present depth, 200 feet, and some 400 feet of lateral work had been carried out. The work of de-watering the shaft was begun November 17, and drifting and cross-cutting on the 23rd. Development work is being carried on by a force of 21 men under the direction of Mine Manager W. P. Murdoch, M.E.

Lebel Oro is situated in Lebel Township, near Mud Lake, in the Kirkland Lake district, and is adjacent to Bidgood and Cambro mines.

Similar to Kirkland Lake

The property consists of a block of 5 claims of 222 acres. The geology is similar to Kirkland Lake, with porphyry, sediments and lamporphyry. The general trend of the breaks, or fractures, is north-east and south-west. Several of these fractures have been located on the property and the wall rock on both sides of the fractures are fairly well mineralized. The main vein, No. 1, strikes north 34 to north 45 degrees east, and dips 72 degrees north-west. It has been explored for a distance of 500 feet.

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New Issues Blamed for Poor Position of Mining Market

Newmont's Selling Noranda to Buy Hudson Mining is instanced

TECK HUGHES WEAK

B.C. Issues Are Beginning to Make Their Appearance on Toronto Market

The mining market is suffering from too many new issues. In this way brokers explain the weakness in many good stocks. For instance, they state that the selling of Noranda is by Newmont Co., of New York, in order to take up substantial blocks of Hudson Bay Mining and Smelting. The break in Wright-Hargreaves is another example of this. One large holder wanted to build a large bank building and another wanted to go into Howey and Bidgood on a large scale. Teck-Hughes is weak and this is attributed to the New York liquidation on the part of heavy holders who want to get into some other prospects. Undoubtedly the recent weakness in New York market brought on some selling in Gotham.

On the whole the mining market has behaved rather well in face of conditions. For a considerable time there were no new issues of merit offered and the result is that some of the proved operations were carried to levels which many considered out of all reason. However, when new issues of merit, and there has been a flood of them, began to make their appearance, the selling of the high-priced stocks began and has gone on steadily. One broker in discussing the situation said that the fact that many speculators had large profits in the high-priced stocks, was in the main responsible for the successful financing of a large number of the new operations that have been placed on the market.

Example of Bidgood

On the other hand success on some of the new ventures has also helped out others. Bidgood is an example. Many holders of Bidgood made large profits in the rise in the market in this issue and when the Cambro offering on the property adjoining on the west, was made, the pre-listing issue was well over-subscribed. The same with Howey. Many of the original holders of this issue have been sloughing off some of their stock and buying up what loose Harker was available.

Now British Columbia issues are beginning to rush on to the Toronto market. Hectic trading of proportions undreamed of, has been a feature of the Vancouver and Victoria stock exchanges during the past week. A great deal of the buying is for Eastern account with the result that those who are sponsoring the issues on the coast are taking steps to have them listed on the Standard Exchange in Toronto. There are now three or four on the standard list and others are to follow. Consolidated Smelters subsidiary operations and Premier have been providing the leadership. The outlook is that British Columbia is going to share in a large way in the growing public interest in the mining industry. The result will undoubtedly be the same as in the east, where many large new well sponsored operations are getting their money quickly and cheaply.

One broker in discussing the situation said that he believed that from now on the public could expect a better yield on their mining stocks than has been the case in Ontario heretofore. He explained that the scarcity of good stocks was the factor which resulted in issues being pushed up to such levels where the yield was about the same as on high class preferred stocks. The public wanted to buy merit and take a chance on market appreciation. They did not care what the yield was. Now that so many things of merit are coming along, these speculative funds are going to be distributed over a great many more issues so that some brokers do not expect to see such high levels obtain for the better issues in the future.

Big Gold Sample Weighs 10 Pounds

A specimen gold sample, said to run around 10 pounds and declared to be equal to the richest that ever came out of the north, was brought to Toronto by Hugh Park, general manager of Nipissing Mines. It came from the Robb-Montbray property in Quebec and had to be sawn out. It is said that part of the sample was broken when they were taking it out. Robb-Montbray is becoming quite noted for the exceedingly rich pockets of ore that are being encountered from time to time. It was the high gold values which were encountered in diamond drilling that led Nipissing to take up this copper-gold property.

LARGE BLOCK BUSH SHARES SOLD AT COAST

J. P. Kendall Wires Good Progress Being Made on Property

Jno. P. Kendall of J. P. Kendall & Co., Toronto, controlling Bush Consolidated Mines of Portland Canal, B. C. wired The Financial Post from Vancouver that he has placed a block of 150,000 Bush Consolidated shares on the coast at $1 per share. This completely finances the company's development operation and leaves 2,000,000 shares of stock in the treasury.

Mr. Kendall says he discussed the Bush situation with Pres. O. B. Bush and his engineer Bancroft and also went over the latest report from mine superintendent Irwin. The latter said he is making excellent progress in driving the tunnel on the group of claims north of Sebawke or National Silver. The tunnel is now 90-ft. from the vein and in a formation identical with that in which Premier and B. C. Silver and National Silver to the south got their ore.

Irwin says that he cannot move the diamond drills and other machinery into the property until the weather eases. At present he is getting all his supplies from the Premier Mine which expedites matters.

Mr. Kendall says Georgia River Gold Mine shares, selling at $1.25 on Vancouver Exchange, is proving one of the most active stocks. Bush Consolidated holds 212,000 shares in this enterprise. Bush Co. has rejected numerous bids for its holding.

Georgia River Co. is well financed. With what it has in treasury and due on notes, it will have $500,000 cash. Vancouver reports say that engineers who examined the property, voice the opinion that it will prove a large gold operation. Some spectacular gold samples have been brought out from the property. A complete new plant is ready to go into the property and because of previous work, it is generally believed that the operation will be close to production by the end of the year.

Sensational Finds Made on Robb-Montbray Mine

New interest is developing in Nipissing. Some very rich gold ore has been found on the Robb-Montbray property, some of which is quite sensational. In addition the company is negotiating for control of the Lebel Oro property in Kirkland Lake where an important discovery has just been made. Nipissing has given shareholders the right to take up Robb-Montbray shares at 30 cents per share and large financial interests will take up what remains. When this financing is complete Nipissing will have got back all the money it expended on the development of the property and have something over one million shares of Robb-Montbray stock left in its treasury that cost it nothing.

Newmont Sells Noranda to Buy Hudson Mining

At Present Market Price, Newmont is Making $5 Per Share on Transaction—Noranda is a Couple of Years From Production

Newmont Mines of New York is reported to be selling Noranda heavily to buy Hudson Bay Mining and Smelting stock at $15 per share. Noranda is selling at $20. The market on Hudson Bay shares is around $20, so that the company is really making a profit of $5 per share on the transaction.

Newmont bought the Noranda at a level that leaves its present holdings standing them $1 per share. Noranda is just into production, and many consider that the cream is about off that issue for some considerable time.

Hudson Bay Mining and Smelting, is at least a couple of years from production. It has a tremendous ore body of proved ore down to the 900-ft. level, being good for 20 years operation.

Noranda, besides having ore bodies on the Horne, controls Waite Montgomery and Aldermac, and is certain to get the Amulet ore for treatment in its smelter. It has a large smelter in operation, two railways at its door and ample electric power, and is assured of a steady market in London for its product.

From these facts, it will be seen that in selling Noranda, one is disposing of shares in a venture with great merit, a producer, that should not be long in getting into the rank of the dividend payers. The market valuation of Noranda at the present price is around $45,000,000 and Hudson Bay Mining and Smelting at $20 is valued at $50,000,000. At the moment it is not much use guessing at the ore reserves Noranda has at its command, as the annual report will be out soon and will reveal this. Flin Flon is estimated to have $268,000,000 indicated ore down to the 2,000-ft. level.

It is difficult also to estimate what Noranda's smelter rights are going to be worth for the treatment of customers. However, it is likely that the Hudson Bay Mining and Smelting Co. will also make provision to provide smelter facilities for other operations in the neighborhood.

Work on Breaking Trail Starts on Harket Mine

Work of breaking a trail into the Harker property from Lightning River has been started and it is expected that pumps will be taken in during the present week. The property is in excellent shape and work will be pushed ahead as soon as the shaft and workings are pumped out. This latter operation will require about two weeks' time.

MINING AREA IS EULOGISED BY HOTCHKISS

Michigan College of Mines and Technology's President Visits Haileybury

SPEAKS TO STUDENTS

Says Northern Ontario and Quebec is Most Rapidly Developing Mining Country in World

By Staff Editor

HAILEYBURY.—"You have here in Northern Ontario and Quebec the most rapidly developing mining country in the world," stated Dr. W. O. Hotchkiss, president of the Michigan College of Mines and Technology, during the course of his recent visit to Haileybury, where he attended a re-union of graduates of the school now practising their profession in the north country.

"I noticed," he continued, "that the last annual report of the Temiskaming and Northern Ontario Railway, gave the value of the annual production of the mines located in the territory it serves as $173,000,000 plus. That is an amount equal to the total iron production of the Lake Superior district of Michigan, Wisconsin and Minnesota, and to seven times the value of the annual output of our great copper district.

"A great portion of this north country has not yet been touched, and there is no doubt in my mind that with further development it is due to be an even greater producer of wealth in the future."

Is No Stranger

Dr. Hotchkiss is not a stranger to the north country. He prospected the Temagami Forest Reserve in 1903, and in 1905 was engaged in exploration work on the Agaunico Mine at Cobalt.

Returning to the University of Wisconsin, of which he is a graduate, he took up the duties of State Geologist, and in 1925 he became president of the Michigan School of Mines. The doctor's present trip marks his first visit to Canada's northern mining country since his Cobalt days. He has announced his intention of returning next summer when he will make a careful study of the development work now being carried on.

Speaking of the Michigan School of Mines, which is located at Houghton, and which has long been regarded as one of the foremost mining schools, the doctor stated that the school was founded in 1885 by the State Legislature of Michigan. In 1927 its name was changed to the Michigan College of Mines and Technology, and made a general engineering school, teaching engineering in all its branches. A few years ago the State Legislature voted the college an annual appropriation of $50,000 a year to be devoted to mining research work.

As a result of the appropriation, extensive research work has been carried out on the milling of copper ores and the chemistry of copper processes, and also in fundamental work in research work in flotation.

Quantitative Tests

The basis of some recent discoveries has made it possible to make quantitative rational tests on the effect of various flotation re-agents. Research work has also been carried out in the concentration of low grade iron works, and also in mining methods employed in the iron mines of Michigan, with particular relation to recent developments made in mining costs. Before the war the production per man was two tons, but at the present time this has been increased to from 6 to 8 tons per man per shift.

In co-operation with the United States Bureau of Mines, a careful study is being made of the effect of mining deep ore on subsidence of the surface and the behavior of rock and ore when large ore bodies are mined out at great depth. This is becoming an important problem for cities built near deep ore bodies.

OIL AND GAS FIND REPORTED IN N. B.

Syndicate is Formed for Drilling and Development Operations

FREDERICTON, N.B.—A mineralogist has declared the black mineral found on George Legassie's farm at New Maryland, 8 miles from the Parliament Buildings in New Brunswick's capital, to be anthroxolite, and recommended drilling for oil and gas, believed to be present where anthroxolite has been discovered.

A syndicate has been formed for drilling and development operations, and licenses to search covering 6,800 acres in the New Maryland district of York County have been taken out. Under the provisions of New Brunswick's new Mining Act ten squares of one quarter of a mile each may be licensed to each person.

It is stated that the mineralogist to whom samples of the mineral were submitted has advised that anthroxolite commands a price of $50 per ton, as an ore, and who is further stated to have advised the syndicate that when it is proven, oil and gas exist, there should be no difficulty in having an operating company take over operation of the property on a fifty fifty basis. Drilling operations have reached a depth of 128 feet, according to the latest reports; it is said that up to the time the drilling reached a depth of more than 40 feet, perfectly good drinking water emerged about the drill. As the drilling operations proceeded further, the water became unfit to drink and lately an oily deposit similar to vaseline has formed on the pipe. Experienced drillers on oil operations say they believe this oily deposit is an indication that the dome of the cap has been reached, and that gas and oil will soon be struck.

Graphic Description is Given of Sinking of McIntyre Shaft

Few Vital Facts About New Shafts at McIntyre Mine

Actual working time, 700 days.

Average men employed, 16.8 men for each of three shifts, the first year; 16.2 for second year.

Shaft 20′ 4″ by 13′ 8″.

Two compartments for ore: one for muck, one for men and ore, being a double decker, and one for service, such as steel, etc., air, water and electric service.

Depth 4.071 ft., the deepest shaft in Northern Ontario, besides cutting 19 stations and 600 ft. of crosscutting. When completed and surveyed was found to be but 1/16 of one inch out of plumb.

Drilling, two feet drilled per ton of rock broken; 1½ lbs. of explosive used per ton of rock broken.

Holes drilled, 66 6/10 per round, 400 rounds in all. Average footage per day, about 6 ft. Total drilling per round, 770 ft. Time of drilling per round, 1½ hours. 14 machines used each round.

Average breakage of ore per round, 10.3 ft. Greatest breakage, 7 rounds, averaged 18 ft.

Total excavation, 160,000 tons rock and 40,000 tons of water, all taken out by hand.

Average per man per shift, 5 tons rock, 2 tons water. Average drilled per shift, per man, 10 ft. and placed 79 board ft. of timber.

Holes drilled, 27,000; refired holes totaled ¾ of one per cent., but three holes missed due to poor caps.

Timbering — 2,256,000 ft. of B.C. fir used and during whole of operation, with blasting in shaft, only 3 sticks were broken. Lagging on sides, 2″ plank; ends, 3″. Guides, 6 x 8, total 7½ miles.

Rounds at start took 5 hours from starting drilling to shanting. Final period time was 3.1 hours, average for 700 days, 3.6 hours. This includes time from leaving surface.

Shaft-mucking—average per man per shift, 1.7 tons of rock in 7 hours.

Is Deepest and Largest Completed Shaft in Country to Date

DEPTH OF 4,000-FT.

Every Safeguard and Safety-first Principle Adopted While Driving at Full Speed

Sinking of McIntyre's new 4,000-ft. shaft was described by Pres. McLean of the Toronto branch of the Canadian Institute of Mining and Metallurgy as one of the notable mining achievements in the history of the Dominion. His remarks followed Harry Kee's graphic story of the operation.

It was an intensely interesting story told in such a way and with such a wealth of interesting detail that hardly a chair creaked during the two hour talk. In an adjoining column will be found a synopsis of the interesting facts about the shaft and its sinking. The McIntyre shaft is the deepest in the country to date and the largest completed shaft. The new shaft of International Nickel on the Frood deposit is said to be a little larger in a way, while the shaft which Mond Nickel is sinking on the same deposit, a three compartment, will be carried to the same depth. Mr. Kee is also sinking this shaft.

Close attention to detail and the application of every safeguard and safety-first principle while driving ahead at full speed, helped Mr. Kee and his crew to make quite a record on the McIntyre operation. No mention was made of accidents to the crew, if any, but that the operation was singularly free of misfortune is evidenced by the fact that though the operation required 2,250,000 feet of timber only three sticks of timber were broken during the 700 days of operation. In this regard it is to be remembered that each day new timber was placed in position in the shaft, being kept right on top of the new work to depth and that each day about 350 lbs. of explosives were discharged in the shaft for the full 700 days.

The precautions taken were innumerable. For instance, all firing was done from the office of the captain of the crew. The key to the power house was kept behind the switch of the electric lighting system so that it was necessary to pull the switch and shut off the lights in the shaft before any powder was taken down.

Numerous protective methods were employed in the shaft and in addition, before every round was fired, all the equipment, including drills, buckets, shovels, water and air hose had to be hoisted up. This tedious operation was turned to the best advantage inasmuch as when it reached the surface, the mechanical staff had time for a complete examination and thus the time lost in breakages, etc., was reduced to a minimum.

The total displacement of rock, Mr. Kee said, was 160,000 tons. Taking 12 cubic feet to the ton, this would make a pile of solid rock about 100 by 100-ft. square and stretching up to about the height of the C.P.R. building on the corner of King and Yonge Streets, Toronto.

In addition to this, the miners bailed up 40,000 tons of water from the bottom of the shaft and this was also hoisted to the surface in buckets.

DRILLING RESULTS ARE LOOKING WELL ON AMULET MINE

Out of 100 Holes Put Down All Struck Ore

By Staff Editor

ROUYN.—Reports from the Amulet property are that it is looking better than ever. An extensive diamond drill campaign, still being carried out, has produced remarkable results and located a big ore body. Out of 100 holes put down to date, practically every one struck ore. Four drills are in operation.

The Amulet ore body dips east and south. On the west end of the property ore was struck at a depth of 200 feet, and at a depth of from 300 to 350 feet on the easterly section.

The new railway spur into the Amulet property is to be started immediately. It is understood that the engineers plan to bring it in off the Waite-Montgomery spur which has just been completed.

QUEBEC COPPER CORP.

Quebec Copper Corporation, whose property lies north of the Waite-Montgomery in N.W. Quebec, are reported to have found some very nice showings recently.

Company to be Formed with Claims Near Grenfell

A syndicate, headed by A. Reid, of Pembroke, has taken over from Edward Scott and partners, a group of fifty claims on the east boundary of the Township of Grenfell, in West Kirkland Lake, and steps are being taken to incorporate a company having a capitalization of 5,000,000 shares, of which a block has been underwritten at a price to provide $250,000 for development purposes. These claims are well located, adjoining Inverness Mines on the west, on which some strong veins have been found, and channel assays on the surface have been obtained up to $11.20.

Expert Geological Data from Electrical Survey

President of Michigan College of Mines Says Some Look for Impossible from This Method of Prospecting

By Staff Editor

HAILEYBURY.—"I believe that there are certain merits in geophysical methods of geological prospecting," stated Dr. W. H. Hotchkiss, president of the Michigan College of Mines and Technology during the course of his recent visit to Haileybury. "The trouble is that many mining people look for the impossible, and expect this method to locate ore bodies immediately. What such surveys can do, is to tell more of the geological conditions than can be seen on the surface, and from which certain conclusions can be drawn as to whether a certain area may be worth prospecting, or not. The function of the geophysical survey method is to give geological information.

In certain instances such surveys provide valuable information of geological indications which tell where to hunt for ore.

All electrical methods have decided merit when applied by men who know how to interpret them both physically and geologically, and this knowledge will increase with experience."

Speaking of the results of research work in the geophysical methods of geological prospecting being carried out by the Michigan School in co-operation with the Carnegie Institute of Washington, the doctor stated that a new method had been tried out by which it had been found possible to determine quite accurately the depth to the water table, the saturated glacial drift, and the total depth of the glacial drift down to rock. And it had been found possible also to distinguish in certain cases the kind of rock lying beneath the glacial drift.

As a result of a careful study of the subject it had been found in working in the Michigan copper areas, where the predominant rock is diabase, that where covered with a hundred feet of a glacial drift, the thickness of the surface cover could be determined, and also whether the rock in the drift with sandstone or lava flow. As a result of the very encouraging results obtained further studies are to be carried out in the iron country.

NEW QUEBEC GOLD VENTURE

Lorette Mines has been incorporated in Quebec to undertake the development of 1,100 acre group in the upper Harricana gold area of N. W. Quebec Company owns 500 acres and has 600 acres under option. Some high grade ore has been indicated by preliminary work.

Vancouver 'Change to Copy Toronto

Anyone familiar with the operation of Vancouver Exchange can well understand how a million share day, such as has been experienced this week, would embarrass the machinery of the exchange. The method of trading is by auction. Sec. Davidson is the presiding officer. Members sit around in a half circle. The secretary works through the list of stocks in alphabetical order, calling for offerings and bids.

This means that one stock is traded in at a time. Operations are more orderly, and especially so when compared with the hectic sessions of the Standard Exchange, Toronto, but do not make for speed or volume. With orders flowing in constantly, one can easily appreciate the difficulty of having all bids or offerings communicated to the members on the floor through the presiding officer.

As intimated in our adjoining story from Vancouver, the Stock Exchange has concluded that its system is inadequate for handling the volume of business and will adopt the Toronto and Montreal systems. On these exchanges, as many as 50 transactions can be made at the same moment.

NORANDA SMELTER TREATS 500 TONS OF ORE PER DIEM

When Second Unit is Completed, 1,000 Tons Will be Handled

By Staff Editor

ROUYN.—The Noranda smelter is now treating 500 tons of ore a day and running in a most satisfactory manner. The smelter is operating on one unit at the present time and a second unit is under construction. When this is completed, Noranda will be able to handle over a thousand tons of ore a day.

Foundations are to be laid for a concentrating plant which will enable the smelter to handle ore from the different mines in the Rouyn district.

A feeling of confidence prevails in this district and active operations are planned for many properties next spring. An extensive building program will be carried out in the town of Noranda.

Duprat to Erect Camp on Kamiskotia Properties

It is officially stated that Duprat Mines will erect camp buildings on its Kamiskotia properties and undertake active development work on these properties. The location of this group is regarded as favorable. Duprat has discontinued work on its Montbray holdings until next spring, when developments will be undertaken on some attractive showings uncovered during the past summer and fall. This group consists of some 4,000 acres tying on to the Oriole and northwest of Nipissing's Montbray workings. In addition, the company has 200 acres on Lake Kikako on which a shaft has been sunk fifteen feet with favorable results recorded. Duprat's treasury holds 500,000 shares of Rhyolite Rouyn Mines stock, and has some $40,000 in the treasury, with over 2,000,000 shares of stock.

REPORT IS ISSUED BY MARRIOTT MINES

Wants Installation Suitable for Sinking Shaft One Thousand Feet

A progress report on the operations being carried on by Marriott Mines has been issued by J. B. Stitt, M.E., resident engineer. Speaking of diamond drill progress, he says:

"Hole No. 17 was commenced January 12, but some little difficulty was experienced in getting down the casing so that at present writing the depth is only forty feet. The formation is well mineralized rhyolite and between thirty and forty feet a series of fractured formation was encountered, showing disseminated chalcopyrite. This hole has not gone far enough as yet to permit of any definite statements, but the formation is promising and copper has been found sooner than anticipated.

Upon completion of this hole, and possibly another from the same setup, to cut the andesite-rhyolite contact at greater depth, it is proposed to drill the lake at a point along the strike of the orebody located at depth by former drilling. When this latter drilling is finished we will probably be able to decide finally upon the most suitable location for a development shaft. A tentative location for this shaft has already been made, but it is not advisable to make any extensive surface preparations for this shaft until drilling mentioned above has been completed. In the meantime, however, I recommend that a complete mining plant be purchased and brought into the property before the spring breakup, as results obtained by drilling to date thoroughly warrant proceeding with underground development.

I am working out details of machinery and equipment required and in a general way will say that air compressor, hoist, drills, etc., should be installed, suitable for sinking the development shaft to a depth of 1,000 feet and carrying on lateral development at various levels."

EAST BUYING MUCH STOCK IN B.C. MINES

Purchasing of Low-priced Mines and Oils Influence Vancouver

RECORD DAY'S TRADE

Many Mining Deals Long Pending Closed as Result of Impetus Given Market

From Our Own Correspondent

VANCOUVER. — Market conditions in Eastern Canada and the United States during the past two years were not reflected in our market to any appreciable extent, until the middle of December last, when Eastern and Mid-Western buying of our low priced mines and oils gave the market a tremendous impetus, which has been growing by leaps and bounds ever since.

British Columbia is rich in mineral wealth, especially ores which are in demand throughout the world, and to this is attributed the fact that our market has at last attracted attention in all parts of Canada, the United States and England, and resulting in the wide distribution of listed securities which is taking place daily.

Sold in December

The total number of shares sold in December was 2,800,000, with a market value of $903,000 against 10,200,000 shares to date this month with a market value of $3,900,000.

Over one million shares changed hands on Tuesday of this week constituting the largest day in the history of the Vancouver Exchange. This was due in a great measure to Montreal, Toronto and New York interests placing orders running into many thousands of dollars in Consolidating Mining and Smelting Co. subsidiaries, Pen d'Oreille, Whitewater and Home Oil, in addition to other well known mines traded in our exchanges.

Many mining deals which have been pending for some time have been closed as a result of the market activities.

Long distance telephone calls from Toronto and Montreal are being received by many of the offices at the rate of eight to nine a day per office, and heavy commitments are being executed for all points East.

The scarcity of stock in securities which are closely held, accounts in a large measure for the tremendous increases in prices throughout the whole list.

Unparalleled Situation

Vancouver Exchange is doing its best to cope with the situation which is unparalleled in the history of this city, and quotations and executions are being forwarded to all interests as fast as wire services, both private and public, permit. Two public and one private telegraph service have been installed right on the floor of the Exchange, and the outside broadcast of quotations is being handled by direct connection with world markets.

Crowds in the Exchange during every session are so great that the overflow extends to the street.

The Stock Exchange management is now planning to open trading along the lines of the system in force on the Montreal and Toronto Exchanges.

PROSPERITY RISE ADVANCES PREMIER

Activity in Shares Results in Overnight Advance of $1

The activity in the shares of Premier Gold Mines, which resulted in an over night advance of around $1 per share was not a surprise to many who have closely followed the fortunes of this company; however, a sudden jump of such proportions was hardly looked for.

Premier has been paying 32 cents per share yearly for the last few years and yielding from 12 to 16 and 17 per cent. The high yield made the public sceptical as to the position of the mine and the stock never attained any great popularity. The new buying is the result of developments on the Prosperity group which Premier now controls. The details of the sensational developments on this property were published in The Financial Post some time ago.

The ore closely resembles that opened on Keeley Silver Mines, S. Lorrain, where massive bodies of solid metallics were encountered and had to be sawn out. It is understood that further sensational developments have taken place on the property, and that buying of Premier came from interests associated with the Prosperity group. It is understood that on the Premier property, ore reserves are sufficient to last seven years.

Alexandria Mine Ore Excellent for Smelters

Alexandria Mines is a new B. C. issue to make its appearance in the east. This is a well known property that has been the subject of a number of reports. B. C. Department of Mines report says that the rather rich gold ore is quite attractive to smelters because of the high silica content. It is located at tidewater up the coast from the Ladysmith smelter, which has just resumed operations. Besides the Alexandria property, which is accepted by mining men as being a mine, the company has rather extensive holdings in the east, including a large block in Sudbury and one in Kirkland Lake.

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Mining Inquiries

Corona Mines

I would like to have your opinion of Corona Mines, and if it would be wise to invest a few hundred dollars in them.

The company has a property that is very well located in North-Western Quebec, and has opened out a surface vein that seems to give some promise. The operation is in good hands.

Mint Ore Gold

I have some shares in Mint Oro Gold Mines. Are you able to say anything as to their value.

Mint Ore Gold Mine is a very attractive looking proposition from which rather sensational values have been secured. The offering of the shares in the market to the public has met with a good reception, and, as the operation is in good hands, the shares appear to be quite attractive.

Barhurst Mines

I bought 1,000 shares of Barhurst Mines, Ltd., at 32c. Would you kindly give me your opinion as to the prospects of this property, and if you have heard that this stock is to be listed in the future.

Apparently Barhurst Mines Ltd. which are located at Nile Lake, in from Red Lake, are quite an attractive speculation, and the property may work out to be an excellent thing. We would suggest that you hold the shares.

Robb-Montbray

Holders of Nipissing are offered Robb-Montbray at $30. Do you advise it as being of merit?

Robb-Montbray shares, which are offered to Nipissing shareholders at 30c., look very attractive. A syndicate of very substantial men have undertaken to handle what shares are not taken by these shareholders and it is generally felt that, when the shares come on the market, they will meet with a very good reception.

Eureka Kirkland

Would you kindly give me particulars of the Eureka Kirkland Gold Mining Co's shares which this company was selling some months ago at 40c. per share. It seems to have gone off the map.

Eureka Kirkland has a very fair prospect in the Eastern section of Kirkland Lake, and while some surface work has been done, giving indications that warranted further development, the company has never been able to get that far because of lack of capital.

Sherritt-Gordon

One of our customers has inquired regarding the Sherritt-Gordon Mining Co., located in Northern Manitoba, and we should be very grateful for any information in this connection with which you may be able to furnish us.

Sherritt-Gordon Mine is located at Cole Lake in Northern Manitoba, 35 miles north of the Flin-Flon operation which has been so much in the public eye of late. Many engineers regard this new operation as having possibilities equal to that of the Flin-Flon, and, for that reason, there has been a heavy accumulation of the stock by very substantial and well-posted mining men. Diamond drill results show that the ore body is of substantial length and width of commercial ore, ensuring a mine of large proportions. The operation is in very good hands.

Inter. Nickel

On behalf of one of our clients, who has asked us to procure your opinion, we would appreciate your advice as to who would receive the dividend of the International Nickel Co., payable on 1st instant, the stock being sold by him on December 13 last.

In the last quarter of 1927 International Nickel declared a dividend of 50c. per common share, payable on December 31 to shareholders on record on December 15th. If your client, having purchased his shares on December 1 had them registered in his name before the 15th, he will get the dividend. Otherwise the dividend will go to the person in whose name the shares would have been recorded on that date. If the latter is the case, then it is up to your client to find out the address of the person in whose name the shares are recorded, and who would have received the dividend, to write to him claiming the dividend. This is the usual practice.

Argonaut

I am holding some shares of Argonaut at 38c. per share. Would you kindly give me your opinion of this mine? Do you think they would be good for a long hold?

The Argonaut situation is a little difficult to size up. Certainly the company is making a big effort to make a mine, and the net result is sufficiently encouraging to keep them going, but the profit from the production has not been large or attractive. The possibilities of the venture seem to lie at depth and the management is now driving to open the mine at lower levels.

Millcrest Gold

I would appreciate your opinion as to the prospects of the Millcrest Gold Mining Co.

Millcrest Gold Mining operation is located in Gowganda. It is in fairly good hands and we understand the finances are in very good shape.

In sinking their shaft, the company has met with a fair measure of success in picking up a couple of high grade veins and there proposes to open up these different veins. There is a possibility that the next month's operations will reveal some very interesting conditions on the property.

Sudbury Zinc

Will you please be good enough to give us your opinion on Sudbury Zinc?

Sudbury Zinc is like a number of new operations that have started in that camp during the past year. The prospect is in an area that has a great deal of merit and which promises to come very much to the front during the next year.

As the majority of these operations are in initial state, it is rather difficult to size them up at this moment.

This camp is an expensive one to operate and companies with a background of sound financing are the ones that are going to succeed.

Wright-Hargreaves

Having bought 150 Wright-Hargreaves and a block of McIntyre shares, I would like your opinion as to what you think of the future prices for these shares.

In holding shares in Wright Hargreaves and McIntyre Mines, you have holdings in two of the finest gold propositions in the Dominion. Both have a very excellent future before them, both are in very excellent hands, and besides, both are now giving a fair yield with promise of very substantial market appreciation.

We would not advise to switch into anything else.

Mine Stocks

Please advise me what you think of the following mine stocks which I hold and what would you advise me to do? Would you consider them good to hold for speculation?

1,000 shares	Ribago.
1,500 shares	Stadacona.
500 shares	Premier.
500 shares	Andean.
200 shares	Wright-Hargreaves.
1,000 shares	McCarthy Webb.
500 shares	Corona.
300 shares	Abana.
2,000 shares	Argonaut.

Your list of stocks contains some very good dividend payers, and some very good speculative issues. Since writing your letter, you have noticed, undoubtedly, that Premier has had a very substantial rise, and while Wright Hargreaves has continued very weak, the outlook for the company is excellent.

All the others have speculative possibilities, except Andean, and we would suggest that you had better write in regard to that operation.

Gold Ore Mines

Can you give me any information about the Gold Ore Mines of Idaho, Inc.?

We do not make it a practice to answer enquiries in regard to American companies.

It is very difficult for us to get in touch with them, and besides we find that we have a pretty good job to keep track of Canadian investments and speculations.

However, having the Mine Handbook, a very excellent New York publication, which deals with practically every mining company of any account in the United States, in our possession, we have checked it through, and find that there is no such company on record at the end of 1926. Of course, it is just possible, that they may have missed it. Our suggestion would be that you write to the Secretary of State, at Bois City, Idaho, and they may be able to give you the information.

The publication in Spokane called Mining Truth, which gives a great deal of attention to the Coeur D'Alene Company, it is just possible that they might have a line on the company you are enquiring about.

Patenting of Claims

Could you kindly tell me whether the president of a development company and his directors are directly responsible to the shareholders through their neglect to patent the claims held by the company. I have such in view. Also please let me know which you consider the best of the following long list of mines, etc.,—Crown Reserve Cons., Pawnee, Kirkland, Malartic, Goodfish, Wright-Hargreaves, Cambro Kirkland, Jackson Manion, Mining Corporation, and Pioneer.

It is quite difficult to answer your letter, particularly in regard to the hypothetical situation you set up in regard to the patenting of claims. It may be that the assessment work on these properties has been completed and that the company has not applied for patent merely because it involves a certain expenditure. In that case there would be no forfeiture of the claim, so long as the Mining Act in regard to assessment work has been complied with. There is, I believe, some limit in the time of delay, but you can look this up at the Federal Bureau of Mines, who will have the Ontario Mining Statute Book on file there.

Anyone undertaking to do the assessment work to apply for the patent should certainly have a sound undertaking with the company and be re-imbursed in a substantial way before making any such move.

With regard to the companies that you ask about, we would classify as follows:

1. Wright-Hargreaves.
2. Mining Corporation.
3. Pioneer and Crown Reserves.
4. The Paunce, Malartic, Goodfish, Cambro Kirkland and Jackson Manion.

All are very attractive prospects and are in good hands. Some of them are a little more advanced than the others and give prospects of developing into mines. None of them, as yet, are mines.

Apex Mine

Will you advise me where the Apex Mine is located and if this is an active company?

Apex Mine is a fairly well located property in the Porcupine District. It has been idle for many years.

Recently, refinancing has been brought about, and we understand it is the intention to take up active exploration of the property. The new operation is not in the strongest hands possible. The property is to be regarded as a prospect and we would suggest that the stock in the present state looks to be what might be termed "a mining gamble."

Gull-Kirkland

Please let me have your opinion regarding Gull-Kirkland Mines, Ltd.

Gull-Kirkland Mines, Limited, have an interesting looking prospect in Gull Lake which is located just to the east of the producing section of the Kirkland Lake camp.

On location alone, the property has a very excellent chance. These behind the company seem imbued with a desire to find a mine having first carried out quite an extensive diamond drilling campaign, and this they have followed up by a consistent means of exploration, and we understand they now propose to start underground developments.

This section of Kirkland Lake camp is the most active unproven mining area in the country to-day.

Flin Flon

Will you kindly give me your views on this property?

If you will read an article on the front page of our Mining Section of our issue of January 20th, you will see a great deal of information in regard to the Flin-Flon property in Northern Manitoba.

This information is contained in a statement which President Watson of Mining Corporations issued to their shareholders. You will get a good idea of the physical possibilities of the property down to the 900 ft. level, and our information is that diamond drilling to 2,000 ft. as indicated the continuation of the ore body.

The trouble with this venture which is being marketed through a holding company, The Hudson Bay Mining and Smelting Company, is that it seems to be very difficult to get hold of any of the stock. I notice that recently it has sold up around $19.50 to $20 per share, with a possibility that it will go very much higher.

I know of several brokers who have analysed the situation and are being unable to get stock for their clients, have been recommending that they purchase Sherritt-Gordon instead. This operation is developing in a way that gives promise of being just as large as the Flin-Flon Mine, less troublesome to operate, and while its development is considerably behind that of the other venture, it is such that the element of risk has been practically eliminated. and is accepted as a proven mine of considerable proportion, and which ultimately will be a very large operation.

The second one is Sherritt-Gordon, which is located in North-West Manitoba, and which gives promise of opening up as a large producer of lead, zinc, copper and precious metal.

Everyone of those operations are in the hands of very excellent people, and are well and economically handled.

Elkstone-Duncan

Can you give me any information as to the value of 1,200 shares in Elkstone-Duncan Mines. Is there a prospect of their doing anything. I have held eight years. What would you recommend?

We understand that there is some re-organization planned at the works of the Elkstone-Duncan property in Kirkland Lake camp. We are not acquainted with the details at the moment, but the property is generally regarded as possessing considerable merit, though the company seems to have lacked capital to develop it.

Robb-Montbray

In your issue of January 13, under the subject of "Robb-Montbray," it is stated that the Nipissing is getting out from under by selling enough stock to get back all its money and that, while under ordinary circumstances this would be considered a weakness, it is not to be regarded as unfavorable in this case.

Would you mind explaining why in this case the course being followed by Nipissing is not to be regarded unfavorably

Our remarks in regard to Nipissing selling enough of its stock in this operation to get its money out, were based on the knowledge that the Nipissing Company is the most conservative of the conservative mining operations in the country. Nipissing took the big gamble, if you can call it such, in the Robb property, having proven up what looks like a mine, is content to switch with a very substantial holding that has cost nothing, but which may work out as a big thing for its shareholders, and at the same time has earned the good will of its shareholders by passing on to them a substantial allotment of the stock at a very reasonable price, 30 cents.

Generally, the Robb Montbray operation is looked upon with considerable favor by conservative mining men.

Barry Hollinger Stock Sells Little Weaker

Barry Hollinger shares were a little weaker this week, selling off to 90. Monday's trading totalled 100,000 shares and the suspicion is that one of the large holders was sloughing some stock to take care of some other commitments. There has been no change at the mine, though it will be a little time before there will be any good news available. The sinking of the winze below the 1,000-ft. level has just been started.

Michigan College of Mines Has Re-union at Haileybury

By Staff Editor

HAILEYBURY.—A very successful re-union of graduates of the Michigan College of Mines and Technology now practising their profession in the north country, was held at the Haileybury Hotel last Saturday. The re-union took the form of a banquet at which Dr. W. O. Hotchkiss, president of the school, was the honored guest and speaker of the evening.

Those in attendance included: Dr. W. O. Hotchkiss, Houghton, Miss.; W. E. Segsworth, Toronto; M. C. H. Little, Keeley Mine, Silver Centre; W. J. Dobbins, Huronian Belt Co., Haileybury; Carl Erickson, Cambro Mines, and W. P. Murdoch, Lebel Oro Mines, Kirkland Lake; C. H. Hitchcock, and Colin Thistlethwaite, Sudbury; Howard J. Jewell, Calumet and Arizona Copper Co., Haileybury, and H. E. Sparks, Oriole and Delmas Mines, Haileybury.

Other graduates who were unable to attend and wired their regrets, included John Knox and A. Younge, Hollinger Mines, Timmins; R. Robinson, McIntyre Mine, Schumacher; L. F. Williams and Carl Elson, Lake Shore Mine, Kirkland Lake; Harry Heine, Harry Roscoe, Noranda; M. W. Hotchkiss, Gold Hill Mine, Boston Creek; J. B. MacLean, Cobalt; John Knox, Jr., Cooper Gold Mines; H. Whittingham, Sherritt-Gordon; M. Younge and J. Travers.

ORE RECEIPTS AT TRAIL

Ore receipts at Trail Smelter from Jan. 8 to 14, 1928, inclusive, and from Jan. 1, 1928, to date, in tons:

Company's mines	10,792	21,475
Other mines	2,901	4,663
Total	13,693	26,138

Quebec Stocks These Days Seem to be Quite Off Color

Quebec stocks seem to be quite off color these days. Noranda is quite weak. Amulet, which is meeting with continued success in its diamond drilling, lost considerable ground when it went ex-rights and sold below the $4 mark. There is a lot of Amulet stock loose and a lot carried on margin and with this condition it was a foregone conclusion that the issuance of 500,000 new shares at $1 would make itself felt.

In marked contrast was the Sherritt-Gordon situation which stock is also selling ex-rights. The company issued a large block of new stock to shareholders at $4 with the market around $7. It did not lose ground when posted as ex-rights, but has eased a little since.

Big Thing Expected For McIntyre Mine

Many brokers are advising their clients that 1928 looks like a McIntyre year. They state that developments on this large Porcupine producer are now at a stage where some announcement should be forthcoming in regard to increased production plans.

Waite-Montgomery Shaft is Sunk to Depth of 150-ft.

By Staff Editor

ROUYN.—Waite-Montgomery has its shaft sunk to a depth of 135 feet. It is proposed to put the shaft down to the 200-ft. level where a station will be cut and cross-cutting carried out. The shaft is located 300 feet from the original ore body. It is stated that Waite Montgomery already has such a mass of ore located, that it will be a long time before there will be any need of further exploration work.

A four-mile railway spur to the Waite-Montgomery property has just been completed.

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Why we recommend
Thunder Bay Lead & Zinc

Mr. Robin Boyle recently returned from an inspection of this mining development in the Thunder Bay district and strongly recommends purchase of the company's shares because —

1. The company is about to commence shaft sinking on a strong showing of galena.
2. The main vein shows widths of 16 to 40 feet with sections of high-grade galena.
3. The main vein has been traced for a distance of a mile and a quarter.
4. The operation is directed by D. H. Angus, president and general manager of Gold Hill Mines Limited, an operator of broad experience in silver, gold and lead mining.

The probability of developing high-grade lead and zinc deposits at depth places the shares of Thunder Bay Lead & Zinc among the most attractive mining speculations.

Complete information furnished on request.

Robin Boyle & Company
14 Jordan St. Toronto Elgin 4305

Why Our Organization Has Grown

We have many clients of long standing who express surprise at the growth of our facilities for serving mining investors.

There is only one reason for this—our clients have found our services indispensable.

Our staff now comprises several score "indoors," and many more "in the field." This means a real service to our out-of-town clients as well as those in the city.

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A Complete Mining Plant For Astoria Rouyn

is now en route to more quickly prove up at depth the surface indicated, 1000 feet long and 74 feet wide potential ore body on group IV. Test pits have shown increasing mineralization at depth.

Field operations are under the personal direction of J. G. Sipprell, a competent and experienced mining engineer.

Invest Now. Write
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Owning 1100 acres of well-chosen mining properties in Quebec.

A diamond drill is now en route to investigate at depth surface showings of massive ore on the Bourlamaque property over a mineralized zone 600 feet in length and 200 feet wide.

Capitalization 4,000,000 shares of no par value. An offering of 200,000 shares will shortly be made.

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We recommend the purchase of the Stock of this Company.
BECAUSE
The Shaft has reached a depth of 500 feet.
Ore has been cut at 100-200-325 and 400 feet, and Station is being cut at 500 feet preparatory to Cross Cutting and Drifting.
It is one of the deepest workings in North Western Quebec.
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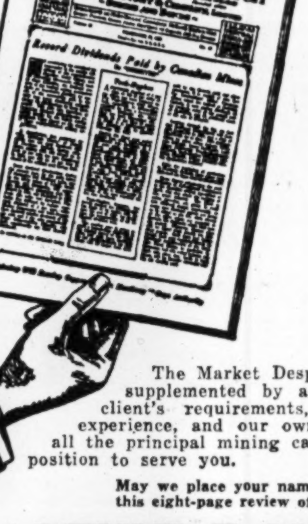
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ALEXANDRIA GOLD MINES LTD.
(Capitalization $5,000,000—Par Value $1.00)

British Columbia Speculation of Merit

A substantial group of British Columbia mining men and Eastern Canada business men have combined to place the attractive ALEXANDRIA MINE in operation.

These men have placed a very substantial sum of money in the treasury to provide the initial working capital. They also decided that a limited block of stock should be offered the public.

Public appreciation of the profit possibilities of British Columbia Mines is now making itself manifest in the unprecedented trading in shares on various mining exchanges of the country.

We believe that shares of ALEXANDRIA GOLD MINES offer an opportunity equal to any of them.

The position of this property as it stands today can well be compared to the Harker Gold Mines of Lightning River, and which operation is much in the public eye of Ontario.

ALEXANDRIA MINE developments to date indicate a mine in the making — Bodies of commercial ore have been opened up — The best shoot so far disclosed is 300 ft. long — First 240 ft. from portal of the tunnel averages $10.00 in gold over a width of 5 ft. and for total length 305 ft., $9.35.

In regard these assays, J. H. Hemsworth, Vancouver, writes:

> "In my opinion their sample record is ultra-conservative because in sinking on the vein they struck $42 and $45 ore and in the raise the ore ran $103 in gold. On the surface further up the hill by No. 4 tunnel, I have assayed the ore taken from there and it runs $76.80 and $51.20."

ALEXANDRIA GOLD MINES has been examined by a number of prominent engineers; W. M. Brewer, until recently resident district engineer of B.C. Department of Mines, has reviewed the whole operation on the published reports of the Department, and he says among other things:

> "The vein or ledge, which is about 100 ft. wide, has become attractive to smelters as a source of fluxing-ore."

The following general size-up of the operation by prominent engineers about states the facts:

> "ALEXANDRIA is now a small gold mine. There is no apparent geological or mineralogical reason why it should not be developed into a big one. No work has yet been done to determine the width of the oreshoot."
> (R. G. Mellin, M.E.)

Location

ALEXANDRIA MINE is situated on the mainland at Picton Point at the entrance to Phillips Arm off Cardero Channel, approximately 150 miles north of the city of Vancouver. The property is very easily reached by any of the Union Steamship Company's steamers sailing from the port of Vancouver tri-weekly. Phillips Arm forms a natural harbor open to ocean-going vessels all year around.

Among the business and mining men associated with this enterprise are the following:

Wellington Beaton, President Georgia River Gold Mines, Portland Canal, B.C.
C. H. Dickie, M.P. Nanaimo District, British Columbia, associated with many B.C. mining enterprises.
Grant Mahood, one of the pioneer mine operators of Portland Canal area, B.C.
Major Knowles, Barrie, Ont.
The Honourable Sanford J. Crowe, Senator, Vancouver, B.C.
Lieut.-Col. the Honourable William H. Sharpe, Senator, Maintou, Man.
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We are authorized to offer, subject to prior allotment: 400,000 Shares of ALEXANDRIA GOLD MINES

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NEWMONT MINING DRAWS ATTENTION BY ITS HOLDINGS

Has 35 Per Cent. Interest in Flin Flon Operation

BIG NORANDA PROFIT

Company Will Have 35% of Million Shares in Hudson Bay Mining Issue

Considerable interest is developing in shares of Newmont Mining Co., New York, because of the fact that it holds a 35 per cent. interest in the Flin Flon operation, and will have 35 per cent. of the 1,000,000 no par shares which are to be issued by Hudson Bay Mining and Smelting Co. for the property.

Newmont's organizer, William Boyce Thompson, has made a great deal of money out of Canadian mining. He is credited with having taken a million dollars profit in his Cobalt operations. Newmont made a very large profit out of Noranda, and is credited with having been responsible for a great deal of the selling of the shares from New York. Newmont is said to have purchased the original Noranda shares at 100. These were later split on a basis of 100 to 1; and the new stock is now selling around 21 per share, which puts a valuation of $2,100 on the old stock.

Newmont has large holdings in a number of important mining companies. The principal profits in the past year are said to have come from Texas Gulf Sulphur, International Nickel, Greene Cananea. Its holdings in Kennecott Copper total 260,000 shares, and others are Chile Copper, Cerro de Pasco, Anglo-American Corp. of South Africa, Consolidated Main Reef, Calumet, Arizona and Magma Copper.

It is reported in some quarters that the company's profits are now running $20 to $25 per share. The annual report will not be issued until April, but it has been stated by one publication that the net will run $32.34 for each of the 452,960 shares of $10 par outstanding. Earnings in 1926 were $9.08 per share. The stock is on a dividend basis of $4 per share annually, but for the last quarter of 1927, the company also paid a stock dividend of 5 per cent. of the issued capital, and this with the $1 quarterly dividend, was estimated to amount to about $6 per share. It is understood that the market value of the company's holdings as of Dec. 31, 1927, was $9,487,000.

Central Manitoba Pours Four Gold Bricks, Weight 150 Lbs.

Gilbert Labine, Eldorado Mines, Central Manitoba, writes that he called over to Central Manitoba Mines recently and that they had just poured four gold bricks, the total weight of which was 150 lbs. and which would net the company about $16 per ounce. He said that the company had made arrangements to exhibit 50 or 60 lbs. in Winnipeg.

Hollinger and Noranda's Next Annual Meetings Cause of Great Interest

Statement as to Development of Kamiskotia is Expected; and Something Said as to Ore Reserves on Horne is Anticipated

Two annual meetings are being looked forward to, Hollinger Consolidated, which will likely take place in March, and that of Noranda, whose annual report should make its appearance any time now.

It is expected by many that at the annual meeting of Hollinger there will be a statement forthcoming in regard Kamiskotia. Hollinger has achieved a great deal of work in this section and should have a pretty good line on what to expect by now. It is generally accepted that the development must be giving indications of considerable promise or else the company would hardly feel justified in continuing the expenditure of substantial sums monthly.

In regard the Noranda report, there is a hope that it will contain a statement on ore reserves on the Horne and also on the two properties which Noranda controls, namely Waite-Ackerman-Montgomery and the Aldermac properties. Though holding a majority of the stock in these two ventures, it may be that Noranda will defer a statement on their reserves until the reports of these companies are ready. It will be impossible to size up the full Noranda situation without these figures.

To List Kirkland Eastern on Standard Mining Ex.

Application has been made to list Kirkland Eastern stock on the Standard Stock and Mining Exchange, and it is likely that the shares will be called for trading next week. Shares meanwhile have been trading around 20 cents per share. The expectation is that the stock will come on the market around 25 cents.

Kirkland Eastern holds a group of claims in Gull Lake, east of the producing section of the Kirkland Lake camp. It is one group removed from Tough Oakes, the Gull Lake Mines and Bryce claim lying in between and taking in a good portion of the lake. It is understood that negotiations are on to secure control of the Gull Lake Mines.

Pioneer Mining Reaches Depth of 120 Feet

Pioneer Mining Corp. has reached a depth of 120 feet in its incline shaft on the Jubilee vein of its Michipocoten property. The shaft will follow the dip of the vein to a vertical depth of 250 feet or 550 feet. This effort was undertaken following the carrying out of a substantial diamond drilling campaign.

LAVAL-QUEBEC OPTIONS GROUND NEAR SUDBURY

Subsidiary Company is Formed Styled "Serpent Basin Mines, Ltd."

Laval-Quebec mines has opticned a large block of ground west of Sudbury in what is known as Serpent River Basin. Engineers Holding Co. rounded out this large block of ground and had an examination made by Maurice Summerhayes, M.E.

J. A. Naud, managing director of Laval, in a letter to shareholders says of the option which has been secured on the properties:

A subsidiary company has been formed called, "The Serpent Basin Mines, Limited," with a capital of five million shares of one dollar par value. The Laval-Quebec has under option three million shares or sixty per cent. of the whole. The shares are optioned over a period of six years and the entire proceeds from these shares is to be spent on development work on the property with the exception of $3,000 as evidence of good faith to cover the expenses of incorporating the subsidiary company and a small consideration for 250,000 of the vendors' shares at the expiration of the option. As the development proceeds the Laval-Quebec will receive shares in the Serpent Basin Mines, in proportion to the money spent. With the exception of a limited number of shares to be released from pool from time to time, the vendors' shares are "pooled" for three years and placed in escrow with the Chartered Trust and Executor Co. of Toronto. The titles have been investigated by our Toronto Counsel and reported in good standing.

This property was examined last Summer by Maurice W. Summerhayes, on the strength of whose report the preliminary drilling is to be done. The geology and structure is similar to that of Sudbury, and surface sampling shows fair values in copper. One diamond drill is to be sent in immediately, and as soon as the ground is clear of snow a detailed survey of the structure will be started.

In view of the favorable geology and structure at Serpent Basin, together with definite veins to start with, it has been decided to curtail operations on Pelletier Lake and Montbray in order to conserve funds and concentrate efforts on the Serpent Basin. The option on the ground in Desmeloizes adjoining the Abana has been given up.

David R. Thomas, an engineer with long international experience, has been appointed consulting engineer.

Stealing Our Thunder

"Followers of the mining industry in the Northwest," says Koch's "Mining Review," published in Spokane, "will recall that stock in the Bunker Hill & Sullivan Mining Company sold for $75 a share during the early summer months of this year. In the fore part of October the stock soared to $150, an advance of 100 per cent. in a few months, and another positive proof that Mining Pays in the Northwest."

This causes Engineering and Mining Journal, New York, to rise and remark: "The opinion may be ventured, however, that this particular incident is not so much proof that mining pays in the Northwest as that the company's holdings in Ontario are expected to pay."

WRIGHT CARROLL, BRANT SUCCESSOR, MAKES OFFERING

Has Attractive Location Near Kirkland Gold Belt

Much interest centres around the offering of shares of Wright Carroll Mines in Kirkland Lake. This is another new operation for the eastern part of the camp and leaves but Queen Lebel and King Kirkland as the only two idle groups of the important properties in this area.

The Wright Carroll has taken over the Brant claims. Some years ago a considerable amount of diamond drilling was done on these properties with encouraging results. Interest in the new company is aroused because of its position in regard Kirkland Gold Belt recently reported as optioned to N. A. Timmins, Inc. The main portion of the Brant group lies to the south of the Gold Belt property and two claims stretch north on end between the Gold Belt and Pawnee and another small portion adjoining these latter two on the north stretches to the Cambro south boundary.

The location of the latter claims would put the company in line of strike with the Bidgood development, but its greater possibilities lie to the south in connection with the Gold Belt situation. Some mining men who have examined the surface showings of Gold Belt declare that the values obtained were the most sensational of any found in Kirkland Lake camp and they declare that the property has possibilities of developing into a mine of huge proportions. The strike of the veins is east-west and this means that two of the Wright-Carroll claims are so situated as to be in line of strike. It is understood that Pawnee people feel that they will have anything that the Gold Belt has. Another factor is the dip of the Gold Belt veins. Their dip is not known for the moment, nor their location on the property. If they were near the south boundary and had sufficient dip, it might be that they would pass into the Brant claims at depth.

When in Kirkland Lake the writer heard considerable discussion on this subject, some of those participating in the gabfest suggesting that the Gold Belt and Brant groups should be thrown in to make one large attractive operation.

Offering of Wright Carroll shares is about to be made.

Engineer Reports Work Done on Notre Dame Gold Mine

From Our Own Correspondent

MONTREAL. — Notre Dame Gold Mines have just received a report from their engineer, Ed. Bregent, covering work done on their Joannes claimes near Rouyn.

A number of buildings have been erected on this property including a log camp, a blacksmith's shop, and powder house.

Communication has been recently established to Routhier Lake and from there via Osisko Lake to Rouyn.

Mr. Bregent's report covers two main divisions: On vein No. 1, which has been uncovered for a distance of over 175 feet, numerous test pits have been sunk. A small quantity of galena is reported at test pit No. 3 and in the cracks in the Graywacke at pit No. 8, chalcopyrite has been found. A considerable quantity of copper has been found at test pit No. 2 where there is a basic stone intrusion. The other half of the report concerns vein No. 2, on which the strike is approximately east-west. At the surface it is narrow. Copper occurs in the form of chalcopyrite associated with quartz.

The program is to follow vein No. 2 in an easterly direction until it meets vein No. 1. The discovery of the junction should reveal an important body.

The discovery of these veins is of considerable importance to Notre Dame Gold Mines because it tends to confirm the theory of dislocation caused by the intrusion of the granite, which is within a mile from vein No. 1 to the north. It is this same bathlith of granite which, according to the accepted theory, is the indirect cause of mineralization on several well-known properties in the immediate vicinity.

RHYOLITE PLANS DRILLING 2,000-FT.

Surface Operations Give Indications That Justify Intensive Exploration

President of Rhyolite Rouyn Mines, Alex Perron, of Kirkland Lake, and Norman Sommerville, solicitor, of Toronto, director, are back from a visit to the consolidated properties of the company which adjoins Amulet and Waite-Montgomery at Rouyn. They were accompanied by George Glendinning and Cyril T. Young of Toronto, shareholders in the company.

Offers for the first 2,000 feet of diamond drilling were considered with the decision reached to await further tenders. Working forces were moved to a set of camps adjacent to where surface showings of high grade copper were recently made. They will also work on gossan outcrops to the east and west of those finds, one of which is on the western Amulet boundary. The present scale of surface operations will be continued and will be extended in a big way when the snow goes off the ground. Detailed geology, some of which has already been made , will be gone over by J. A. C. MacGregor, the geologist who has been so successful in the diamond drill campaign on Amulet adjacent.

At Rouyn, the ore is found on a basic rhyolite sill, and the diamond drilling prior to the snow leaving the ground will aid in determining the exact position and dip of the sills. This plan is essential to the finding of worth-while ore bodies. The geological formation is typical of Waite-Montgomery and Amulet.

Two Copper Mines Give Large Yields

Anyox Mines of Granby Consolidated Mining Co. in 1927 produced 37,000,000 lbs. of copper and Britannia Mine owned by the Howe Sound Co. produced 33,500,000 lbs. It may be that during the present year Britannia will work up to the position of being the largest producer of copper within the British Empire as it is expected that this year's operations will show a material increase in production.

MINING STOCK QUOTATIONS

Week Ending January 24

	Par Val.	Div. Rate	Yield	High for wk.	Low for wk.	Close Jan. 24	Sales for wk.	Range 1927 High	Range 1927 Low	Range 1928 High	Range 1928 Low
Abana	1	....	....	3.40	3.23	3.26	25525	4.90	.20	3.9	3.05
Aconda	1	....	....	35½	30	34½	248550	45	14½	35½	29
Afton	1	....	....	1.43	1.40	1.42	7550	1.30	1.00	1.43	1.25
Algonquin	1	....	....	2¾	2	2½	34200	5¼	2	3	2
Arno	.	....	....	31	22	23¾	35800	....	....	31	22
Amity C.	.	....	....	38½	36½	38	41300	50	24½	44	36
Amulet Rts.	.	....	....	75	70	70	550	....	....	75	70
Amulet	1	....	....	5.20	4.00	4.00	110120	7.10	.85	5.20	4.00
Apex	1	....	....	7⅛	7	7	81750	10	1	9	7
Area	1	....	....	.31	.21	.26	120775	1.95	.23	.32	.21
Argo. Con.	1	....	....	28	26	26½	183250	59	25	34	26
Atlas	1	....	....	4½	4	4½	38800	7	2	4¾	4
Ankerite	.	....	....	1.04	1.00	1.03	700	1.25	1.15	1.23	1.00
Bathurst	.	....	....	35	32	32	127510	....	....	35	32
Bagamac	.	....	....	5	5	5	1500	19	6	5	5
Baldwin	1	....	....	2¾	2½	2½	30400	5½	1	3½	2½
Bedford	.	....	....	49	41	46½	262885	52	19	49	38
Barry Holl.	1	....	....	1.10	.90½	.91½	227975	1.50	.25	1.20	.90½
Beaver	1	....	....	2.07	1.92	1.93	38375	2.75	.59½	2.25	1.92
Bellellen L.	1	....	....	....	....	....	....	23½	3	3½	3½
Bidgood	1	....	....	1.11	.86	1.00	652025	1.83	.5	1.60	.84
Boischatel	None	....	....	5	4	5	56100	27	3	5	4
Bourlamaque	1	....	....	....	....	....	....	1.53	.50	....	....
Buckingham	1	....	....	6	5	5	25500	9½	3	7	5
Bunker Hill	10	....	....	....	....	....	....	160	75¼	....	....
B.C.Develop.	.	....	....	1.60	1.52	1.60	28750	1.82	1.12	1.60	1.32
Cambro	.	....	....	49	46	48	5400	58	55	55	46
Can. Lorraine	1	....	....	15¼	15	15¼	1850	72	10	18½	15
Capitol S.	1	....	....	17¾	17	17	4400	34	14	18½	16
Capitol R.	1	....	....	15⅜	12½	13¼	238100	54½	10	18	12½
Castle Tre.	1	....	....	.73	.70	.71	18176	1.27	.61	.78	.70
Cen. Man.	1	....	....	1.82	1.73	1.80	30805	2.30	1.07	1.95	1.69
Chaput H.	1	....	....	14½	12	13½	45400	20	4⅝	18	12
Clifton	1	....	....	2	1	2	1700	3½	½	2	1
Coast Copper	5	....	....	60	49	53	19465	43¼	9¾	60	36
Col. Kirk	1	....	....	8	6½	6¾	116800	16	1½	9½	6½
Clericy	.	....	....	20	20	20	1000	31½	31	30½	20
Coniagas	5	....	....	4.85	4.80	4.80	1650	5.05	3.20	5.00	4.75
Coniaurum	5	....	....	5.45	5.15	5.15	998	5.78	2.80	5.50	5.00
Cons. Smelter	25	10†40	....	275	260	271	7843	274½	215	275	251
Copper Hill	1	....	....	45	44	44	800	68	36	46	44
Corona	1	....	....	13	11¼	12¾	102900	37	10	16	11
Crown Res.	1	....	....	58	50	51	55537	80	39	70	50
Destor	1	....	....	....	....	....	....	43	20	20	20
Dome Mines	None	$1	7.79	13.05	12.55	12.85	3075	14.60	6.85	13.35	12.50
Dom. Kirk.	1	....	....	5½	4½	4½	32700	12	1½	6½	4½
Don. Rouyn	1	....	....	20	17	19	23960	56½	17½	22	17
Dubec	1	....	....	.72	.52	.52	9500	1.48	.35	.72	.50
Duprat	1	....	....	12½	8	10	173600	21	9¾	12½	8
Dupuy	.	....	....	....	....	....	....	79½	9	....	....
Everett	1	....	....	3	2½	3	3000	5½	1¼	3	2½
Federal Kirk.	1	....	....	77	70	74	32450	78	40	77	70
Fiske	1	....	....	4	4	4	1000	30½	5	4	4
Fisher, Que.	1	....	....	....	....	....	....	2.20	.50	....	....
Gifford	1	....	....	....	....	....	....	1¾	¾	....	....
Goldale	1	....	....	42¾	38	38	45550	51½	20	44	38
Gold Hill	1	....	....	35	33	33	100000	54	22	38½	33
Gold Reef	1	....	....	1¾	1¼	1¼	16100	2½	½	2	1¼
Granada R.	.	....	....	30½	28	29	111300	41	14½	35½	28
Grover Daley	1	....	....	12½	10½	12	53900	37	8	15	10¼
Goodfish	.	....	....	60	52	53	36050	....	....	78	52
Harvie Exp.	None	....	....	.65	.50	.65	23950	2.40	.50	.85	.50
Hillcrest, c.	100	6	10.00	....	....	....	....	65	50	....	....
Hillcrest, p.	100	7	8.09	86¾	85	85	13	90	81¼	86¾	85
Hilltop	1	....	....	21½	20	20	13300	25	6½	23½	17
Hollinger	5	26	7.30	18.00	17.70	17.90	3690	22.65	16.40	18.10	17.60
Howey Gold	1	....	....	1.69	1.55	1.58	215580	1.78	.42	1.91	1.55
Hudson	.	....	....	21.90	17.50	21.75	53160	....	....	21.90	17.50
Indian	1	....	....	15	8	14	44500	12	4	15	5
Int. Nickel	25	$2	2.06	97¼	90¾	97	69716	90¼	38	97¼	81½
Jackson M.	1	....	....	83	80	81	54825	86	36	86	78½
Keeley	1	16	25.80	.68	.60	.62	13870	1.66	.69	.72	.60
Keora M.	1	....	....	4	3½	3½	6000	13⅛	2	5	3½
Kirk. Hunt.	1	....	....	21½	20	20	76950	35½	10	26	20
Kirk. Lake.	1	....	....	2.47	2.35	2.42	140065	3.06	.82	2.75	2.35
Koot. Flor.	20c.	....	....	47	30¾	42	642000	31	22	47	28
Lebel Oro	1	....	....	53	49	51	19000	66	30	59	47
La Rose	1	....	....	5	4¾	5	16000	12	3	7	4¾
Lake Shore	1	40+30	2.70	25.95	25.50	25.85	8555	28.20	15.40	27.70	25.50
Lakeside L.	1	....	....	....	....	....	....	6	½	....	....
Laval	1	....	....	28	22½	26½	297850	59	19½	28	20
Lorrain C.	1	....	....	1	1	1	14200	3¼	1	1	1
Lorrain T.L.	1	....	....	....	....	....	....	.86	.52	....	....
Macassa	1	....	....	55½	45	47	67450	69	18	55½	45
Malartic	1	....	....	78	72	77	9285	78	23½	83	7
Marriott	1	....	....	46	36	37	83900	45	35	46	36
McDougall	1	....	....	56	50	51½	109725	90	24	56	47
McKinley	1	....	....	18¾	18½	18¾	2800	25½	11	20	18½
McIntyre	5	20	3.50	28.75	27.50	28.50	8820	29.00	24.00	28.75	27.00
Mentor	10	....	....	....	....	....	....	14.00	12.00	....	....
Millcrest	1	....	....	11	8	10	35400	15	2	12	8
Mining Corp.	5	25 c.	....	5.50	4.65	5.15	225813	5.05	2.90	5.50	3.80
Moneta	1	....	....	10	9	9	4000	15½	8¾	12	9
Montreal R.	1	....	....	....	....	....	....	35	10	16	9
Monelk	.	....	....	15	15	15	1000	....	....	15	15
Newbec	1	....	....	.57½	.45	.54	85900	1.20	.62½	.66	.45
Newray	1	....	....	....	....	....	....	50	28	....	....
Night Hawk	1	....	....	8¾	7½	7½	46050	10½	4	10	7½
Nipissing	5	6	5.08	5.95	5.60	5.90	37702	10.30	5.25	6.00	5.40
Noranda	None	....	....	21.90	20.35	21.70	39880	25.80	19.95	23.85	20.35
Nat. P. & D.	.	....	....	8.75	7.75	8.00	9175	....	....	8.75	7.75
Ophir	1	....	....	2¼	2	2	1500	4⅝	¾	2½	2
Osisko	.	....	....	.47½	.45	.45	4700	1.75	.35	.64	.45
Pawnee Kirk.	1	....	....	70½	66	70½	28050	78	54	80	66
Picard	.	....	....	77	75	76½	3700	....	....	77	75
P. L. Cobalt	1	....	....	14½	11	14	99583	18	2	16½	6
Porc. Crown	1	....	....	8	6	6	27675	11	3	8	6
Pioneer	1	....	....	.60	.50	.51	89725	1.18	.45	.60	.48
Potter Doal	None	....	....	20	18	18	115300	65	10½	22	15½
Premier Gold	1	32 c.	10.70	3.50	2.40	3.00	95830	2.50	1.86	3.50	2.15
Preston	1	....	....	4⅜	4½	4½	2500	7	3	5	4½
Realty & M.	.	....	....	16½	14	14	8700	38	15	17	14
Ribago	1	....	....	20	16	18½	166100	87	13	25	16
Rouyn G.	1	....	....	....	....	....	....	4	2½	3	2
Rouyn Que.	1	....	....	....	....	....	....	4⅝	1	1½	1½
Rubec	1	....	....	.50	.43	.43	8950	3.65	.80	.80	.43
San Antonio	.	....	....	49¾	45	47½	73850	57	30	54½	45
Sherritt G.	.	....	....	7.55	6.00	6.85	62300	....	....	7.55	5.90
Sherritt V.T.	.	....	....	7.50	7.50	7.50	700	....	....	7.50	5.95
Siscoe	1	....	....	25	15	23	5150	60	12	25	15
South Keora	1	....	....	15	15	15	1300	64½	4½	17¾	15
Stadacona	None	....	....	18	15	15½	120300	55	13	21	15
St. Anthony	1	....	....	36½	33	33	7100	50	16	42	33
Sud. Basin	1	....	....	14.25	13.25	13.95	37330	11.85	4.00	15.00	11.50
Sylvanite	1	....	....	3.50	3.30	3.30	7300	4.80	2.60	3.90	3.30
Sudbury M.	.	....	....	33½	28	29	73400	....	....	33½	28
Telluride	1	....	....	....	....	....	....	38	35	....	....
Teck Hughes	1	10+5	....	9.94	9.57	9.60	59420	12.00	5.37	10.80	9.57
Thomp. Krist	1	....	....	....	....	....	....	2	½	....	....
Tough Oakes	1	....	....	72	65	67½	263750	82	25	79	64
Towagmac	1	....	....	3.80	3.50	3.55	8957	5.75	2.85	4.10	3.50
Timiskaming	1	....	....	....	....	....	....	12	4	7	7
Treadwell Y.	1	....	....	32.00	26.00	28.50	9400	26.75	18.50	32.00	25.00
Vic. Silver	1	....	....	....	....	....	....	14	1½	....	....
Vickers	1	....	....	.91	.91	.91	600	1.52	.25	1.25	.80
Vipond	1	....	....	.67	.61	.61	45506	1.75	.47	.85	.61
Wakenda	1	....	....	8¾	7	8	77825	16	1	11	7
Wasapika	1	....	....	....	....	....	....	2	1	....	....
West D. Lake	1	....	....	15½	10	14	46625	20	8	17½	10
West Tree	1	....	....	....	....	....	....	4½	1	....	....
Wettlaufer	1	....	....	....	....	....	....	4¾	1½	....	....
Wiltsey C.	1	....	....	54	53	53	5100	74	50	56	53
Wright Har.	None	20 c.	3.44	6.80	5.60	5.80	160458	8.45	5.50	6.80	5.50
Windfall R.	.	....	....	23	18	20	24150	31	19¼	25	18

A Useful Yardstick to Measure Your Mine Stock Holdings

The current issue of *Gibson's Fortnightly Mining Review* contains our revised classification of mining stocks as based on their speculativeness in relation to current quotations.

This is purposely designed to assist mining investors in gauging accurately the attractiveness or otherwise of the various issues for profitable speculation or investment. You will find it both useful and instructive.

This issue also has an analysis of the present mining market situation in addition to current news on several prominent stocks.

A free copy may be had by request

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Follow Up
The Developments of
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Our Statistical Department
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ENQUIRIES INVITED.
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For full particulars about
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British Columbia Mines
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Bidgood
Kirkland Lake
Tough Oakes
Barry-Hollinger

MR. McDONALD, M.E., a partner of this firm, has just returned after an inspection of the above properties and he has prepared timely and exhaustive reports on actual conditions at these mines.
We shall be glad to mail a copy of any of these reports—without obligation—to investors, upon request.
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AMULET
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Callinan Flin Flon Mines, Limited
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PROPERTIES
The Company owns 57 claims, totalling approximately 2,850 acres, immediately adjoining the celebrated Hudson Bay Mining and Smelting Company (Flin Flon) on three sides.

Two complete mining plants have been ordered, to conduct active mining operations, and are now en route to the properties.

The President of the Company is Mr. W. J. Callinan, the well-known mining operator, and a pioneer in this district. The Vice-President is Mr. Robert T. Shillington, who requires no introduction to Ontario mining investors.

The shares of this Company have an active unlisted market and at present are in demand at $1.00 per share.

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